

PART I – EXPORT DOCUMENTS

INTRODUCTION

All export shipments leaving Canada must be accompanied by a number of documents. These documents may vary according to the type of goods being exported, practices and regulations, changes in technology, and the political and economic conditions prevalent in the country of importation.

The next section provides a comprehensive description of the basic export documentation required for most overseas export shipments. Accuracy and time are the two main considerations that the exporter must bear in mind when issuing export documents.

When the exporter is unfamiliar with the procedures or particular requirements of the importing country, the assistance of a freight forwarder is advisable. A freight forwarder will act as the exporter's transportation agent in making all the necessary arrangements for overseas shipping. The forwarder will assist the exporter in preparing all required documents, (including special documents) providing freight rates, insurance costs, consular fees etc. as well as the handling of letters of credit.

PRO-FORMA INVOICE

A pro-forma invoice is an advance notice that provides the importer with a general description of a pending shipment. It is issued by the exporter at the request of the importer.

A Pro-Forma Invoice does not require a standard form. It can be issued on a commercial invoice form or simply on the exporter's letterhead. This document must be clearly titled "Pro-forma Invoice". (See exhibit 1 at the end of Part I.)

It must be noted that the Pro-Forma Invoice is not a paying document since it contains only the best possible information (especially in terms of quantities) of the goods to be shipped.

The Pro-forma Invoice will assist the importer in the following:

- to obtain foreign currency;
- to insure the goods;
- to secure import licenses;
- to assess applicable duties and taxes.

COMMERCIAL INVOICE

A commercial invoice is the evidence of a debt for the purchase of goods and/or services. It can be described as both the seller's billing document and the buyer's paying document. Furthermore, it constitutes a complete record of a sale. (See exhibit 2 at the end of Part I.)

In international sales, the commercial invoice in the importing country may also represent the customs clearance document. In certain countries it is required that the commercial invoice be the bearer of a prescribed sworn statement regarding the truthfulness of the data it contains. It may also be required to show additional information such as costs of freight, insurance, commissions as well as the origin of the goods.

It is essential that the Commercial Invoice be accurate and precise since it will be the basis for the preparation of all other documents.

CANADIAN EXPORT DECLARATION (B13)

With few exceptions, all goods exported from Canada must be reported before leaving the country. For this purpose the form B13 has to be completed by the exporter and submitted to Canada Customs at the point of exit. This document is normally handed over to the carrier transporting the shipment. (See exhibit 3 and 3A at the end of Part I.)

Most shipments to the United States including goods valued at less than \$ 2,000 do not require a B13 declaration. However, if a shipment is in transit through the United States and is bound for another country, the exporter must complete this document. (See "Exporting to the U.S.", pg. 7.)

Goods exported to the United States such as airplanes, satellites and telecommunications equipment, simulators, ships and boats, uranium and gold, must be documented on the export declaration form B13.

Goods in transit through Canada for exportation to another country do not require a B13 declaration but must be documented on a cargo control form.

All the information collected from the export declaration B13 will provide Statistics Canada with the necessary data to establish export trade statistics. These statistics will directly have an impact on the country's balance of trade and will consequently influence the government's economic policies. Hence timely and accurate information provided on the B13 by Canadian exporters is essential.