



Overview

This provision covers the requirements for temporary admission of goods and differences from the previous North American Free Trade Agreement (NAFTA). USMCA includes additional guidance related to extensions, release requirements, exportation requirements, as well as updating provisions for duty-free temporary admission of shipping containers or other substantial holders used in the shipment of goods.

References

- **USMCA**
 - *Final Text:* Chapter 2, Article 7
- **NAFTA**
 - *Final Text:* Chapter 3, Section B, Article 305

Significant Changes in USMCA

Provision	USMCA	NAFTA
Applicable Goods	<ul style="list-style-type: none"> • No change in commodity types – Includes professional equipment, goods imported for sport purposes, goods intended for display or demonstration, and commercial samples and advertising films and recordings. • For professional equipment, USMCA follows law of importing Party while NAFTA is pursuant to Chapter Sixteen (Temporary Entry for Business Persons). 	
Duty-Free Conditions	<ul style="list-style-type: none"> • No change in overall guidance – USMCA provision consolidates guidance for all commodity types that were split into two provision in NAFTA. 	
Extensions	<ul style="list-style-type: none"> • USMCA allows each Party to extend time limit for temporary admission at the request of the person concerned. • The period of temporary admission of a shipping container or other substantial holder, registered with the customs authority, shall be extended at the request of the person concerned. 	<ul style="list-style-type: none"> • Not specified.
Release Requirements	<ul style="list-style-type: none"> • USMCA includes provision for expeditious release of goods admitted. • Specifically, goods should be released simultaneously with entry of national 	<ul style="list-style-type: none"> • Not specified.
Exportation Requirements	<ul style="list-style-type: none"> • Goods may be exported through a customs port other than the port through which it was admitted. • The person responsible for admission will not be liable for failure to export upon presentation of proof that the good was destroyed within the original time period fixed for temporary admission or extension. 	<ul style="list-style-type: none"> • Not specified.

Provision	USMCA	NAFTA
Charges and Penalties	<ul style="list-style-type: none"> • No change – Parties may impose customs duty and any other charge that would normally be owed on entry or importation of good if the requirements for temporary admission are not fulfilled. 	
Investment and Cross-Border Trade in Services	<ul style="list-style-type: none"> • No change beyond changes in applicable USMCA and NAFTA Chapters. • In addition, USMCA added “shipping container or other substantial holder” (<i>see below for related guidance</i>). 	
Definitions	<ul style="list-style-type: none"> • No significant change to “vehicle” definition. However, USMCA adds a phrase specifying international traffic: “vehicle means a truck, a truck tractor, a tractor, a trailer unit or trailer, a locomotive, or a railway car or other railroad equipment, if used in international traffic (Article 2.7).” • USMCA adds definition for “shipping container or other substantial holder.” 	
Shipping Container / Substantial Holder Provisions	<ul style="list-style-type: none"> • Affords relief from customs duties • Treatment extends to accessories or accompanying equipment if internal volume is one cubic meter or more. • Allow it to remain in territory for at least 90 consecutive days. • Allows arrival and release of one being used/to be used in shipment of goods in international traffic regardless of size, volume, capacity, or dimension. • Allows extension of timeframe for temporary admission. • May require registration with customs authority first time it arrives. 	<ul style="list-style-type: none"> • Not specified.

Detailed USMCA/NAFTA Side-by-Side

Provision	USMCA	NAFTA
Applicable Goods	<p>1. Each Party shall grant duty-free temporary admission for:</p> <ul style="list-style-type: none"> a) professional equipment, including equipment for the press or television, software, and broadcasting and cinematographic equipment, that is necessary for carrying out the business activity, trade, or profession of a person who qualifies for temporary entry in accordance with the law of the importing Party; b) a good intended for display or demonstration, including its component parts, ancillary apparatus and accessories; c) commercial samples and advertising films and recordings; and d) a good admitted for sports purposes, admitted from the territory of another Party, regardless of their origin and regardless of whether like, directly competitive, or substitutable goods are available in the territory of the Party. 	<p>1. Each Party shall grant duty-free temporary admission for:</p> <ul style="list-style-type: none"> a) professional equipment necessary for carrying out the business activity, trade or profession of a business person who qualifies for temporary entry pursuant to Chapter Sixteen (Temporary Entry for Business Persons), b) equipment for the press or for sound or television broadcasting and cinematographic equipment, c) goods imported for sports purposes and goods intended for display or demonstration, and d) commercial samples and advertising films, imported from the territory of another Party, regardless of their origin and regardless of whether like, directly competitive or substitutable goods are available in the territory of the Party.
Duty-Free Conditions	<p>2. No Party shall condition the duty-free temporary admission of a good referred to in paragraph 1, other than to require that the good:</p> <ul style="list-style-type: none"> a) be imported by a national of another Party who seeks temporary entry; b) be used solely by or under the personal supervision of a national of another Party in the exercise of the business activity, trade, profession, or sport of that person; c) not be sold, leased, or, for goods referred to in paragraph 1(c), not be put to any use other than exhibition or demonstration, while in its territory; d) be accompanied by a security in an amount no greater than 110 percent of the charges that would otherwise be owed on entry or importation, and releasable on exportation of the good except that a bond for customs duties shall not be required for an originating good; e) be capable of identification when exported; f) be exported on the departure of the person referenced in subparagraph (a), or within any other period reasonably related to the purpose of the temporary admission 	<p>2. Except as otherwise provided in this Agreement, no Party may condition the duty-free temporary admission of a good referred to in paragraph 1(a), (b) or (c), other than to require that such good:</p> <ul style="list-style-type: none"> a) be imported by a national or resident of another Party who seeks temporary entry; b) be used solely by or under the personal supervision of such person in the exercise of the business activity, trade or profession of that person; c) not be sold or leased while in its territory; d) be accompanied by a bond in an amount no greater than 110 percent of the charges that would otherwise be owed on entry or final importation, or by another form of security, releasable on exportation of the good, except that a bond for customs duties shall not be required for an originating good; e) be capable of identification when exported; f) be exported on the departure of that person or within such other period of time as is reasonably related to the purpose of the temporary admission; and

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	<p>as the Party may establish, unless extended;</p> <p>g) be admitted in no greater quantity than is reasonable for its intended use; and</p> <p>h) be otherwise admissible into the Party's territory under its law.</p>	<p>g) be imported in no greater quantity than is reasonable for its intended use.</p> <p>3. Except as otherwise provided in this Agreement, no Party may condition the duty-free temporary admission of a good referred to in paragraph 1(d), other than to require that such good:</p> <p>a) be imported solely for the solicitation of orders for goods, or services provided from the territory, of another Party or non-Party;</p> <p>b) not be sold, leased or put to any use other than exhibition or demonstration while in its territory;</p> <p>c) be capable of identification when exported;</p> <p>d) be exported within such period as is reasonably related to the purpose of the temporary admission; and</p> <p>e) be imported in no greater quantity than is reasonable for its intended use.</p>
Extensions	3. Subject to its law, each Party shall extend the time limit for temporary admission beyond the period initially fixed at the request of the person concerned.	<ul style="list-style-type: none"> • Not specified.
Release Requirements	4. Each Party shall adopt or maintain procedures providing for the expeditious release of a good admitted under this Article. To the extent possible, those procedures must provide that when such a good accompanies a national of another Party who is seeking temporary entry, the good shall be released simultaneously with the entry of that national.	<ul style="list-style-type: none"> • Not specified.
Exportation Requirements	<p>5. Each Party shall permit a good temporarily admitted under this Article to be exported through a customs port other than the port through which it was admitted.</p> <p>6. Each Party shall provide, in accordance with its law, that the person responsible for a good admitted under this Article shall not be liable for failure to export the good upon presentation of proof satisfactory to the Party into whose territory the good was admitted that the good has been destroyed within the original time period fixed for temporary admission or any lawful extension.</p>	<ul style="list-style-type: none"> • Not specified.

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Charges and Penalties	7. If any condition that a Party imposes under paragraph 2 has not been fulfilled, the Party may apply the customs duty and any other charge that would normally be owed on entry or importation of the good in addition to any other charges or penalties provided for under its law.	4. A Party may impose the customs duty and any other charge on a good temporarily admitted duty-free under paragraph 1 that would be owed on entry or final importation of such good if any condition that the Party imposes under paragraph 2 or 3 has not been fulfilled.
Investment and Cross-Border Trade in Services	8. Subject to Chapters 14 (Investment) and Chapter 15 (Cross Border Trade in Services): <ul style="list-style-type: none"> a) each Party shall allow a vehicle, or shipping container or other substantial holder, that enters its territory from the territory of another Party to exit its territory on any route that is reasonably related to the economic and prompt departure of that vehicle, or shipping container or other substantial holder; b) no Party shall require any security or impose any penalty or charge solely by reason of any difference between the port of entry and the port of departure of a vehicle, or shipping container or other substantial holder; c) no Party shall condition the release of any obligation, including any security, that it imposes in respect of the entry of a vehicle, or shipping container or other substantial holder, into its territory on the exit of that vehicle, or shipping container or other substantial holder, through any particular port of departure; and d) no Party shall require that the vehicle or carrier bringing a shipping container or other substantial holder from the territory of another Party into its territory be the same vehicle or carrier that takes that shipping container or other substantial holder to the territory of another Party. 	5. Subject to Chapters Eleven (Investment) and Twelve (Cross Border Trade in Services): <ul style="list-style-type: none"> a) each Party shall allow a vehicle or container used in international traffic that enters its territory from the territory of another Party to exit its territory on any route that is reasonably related to the economic and prompt departure of such vehicle or container; b) no Party may require any bond or impose any penalty or charge solely by reason of any difference between the port of entry and the port of departure of a vehicle or container; c) no Party may condition the release of any obligation, including any bond, that it imposes in respect of the entry of a vehicle or container into its territory on its exit through any particular port of departure; and d) no Party may require that the vehicle or carrier bringing a container from the territory of another Party into its territory be the same vehicle or carrier that takes such container to the territory of another Party.
Definitions	9. For the purposes of paragraph 8, vehicle means a truck, a truck tractor, a tractor, a trailer unit or trailer, a locomotive, or a railway car or other railroad equipment, if used in international traffic. <p>14. For the purposes of paragraph 8 and paragraphs 10 through 13, a "shipping container or other substantial holder" includes any container or holder, whether collapsible or not, that is constructed of a sturdy material capable of repeated use, and is used in the shipment of goods in international traffic.</p>	6. For purposes of paragraph 5, "vehicle" means a truck, a truck tractor, tractor, trailer unit or trailer, a locomotive, or a railway car or other railroad equipment.

Provision	USMCA	NAFTA
Shipping Container / Substantial Holder Provisions	<p>10. Each Party shall adopt or maintain procedures allowing for the arrival and release from customs custody, such as through a procedure that provides for temporary admission as set forth in this Article, of a shipping container or other substantial holder being used or to be used in the shipment of goods in international traffic, whether arriving full or empty and of any size, volume, or dimension, with relief from custom duties and allowing it to remain within its territory for at least 90 consecutive days.</p> <p>11. Each Party shall, in accordance with its laws, regulations, and procedures, extend the timeframe for temporary admission of a shipping container or other substantial holder beyond the period initially fixed at the request of the person concerned.</p> <p>12. A Party may require that a shipping container or other substantial holder be registered with the customs authority the first time it arrives in its territory, as a condition for the treatment described in paragraphs 10 and 11.</p> <p>13. Each Party shall include in the treatment of any shipping container or other substantial holder that has an internal volume of one cubic meter or more, the accessories or equipment accompanying it as defined by the importing Party.</p>	<ul style="list-style-type: none"> • Not specified.