



## CBSA Today: Commercial News for Stakeholders

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The Border Commercial Consultative Committee (BCCC) has been a crucial link between the Canada Border Services Agency (CBSA) and its commercial stakeholders for nearly eight years, providing a forum for sharing information and

views on a variety of matters important to border operations and trade. As Chair, I have been directly engaged with this committee and many of you for more than five of those eight years.

As you may already know, I will be retiring from the CBSA at the end of December. It has been a privilege to work closely with you to make the business of managing the border better and to ensure that policies, procedures and legislative changes are developed and implemented with the interests of commercial stakeholders and the Canadian economy front of mind. I am proud of the accomplishments we have made together and I want to thank you for your many contributions over the years.

As we continue to move forward with Beyond the Border and other modernization initiatives, I am sure that the BCCC will continue to play a critical role in our successful evolution. I look forward to our meeting in October.

Cathy Munroe, Chair  
Border Commercial Consultative Committee

### Eliminating marine agent carrier codes

The CBSA has been working closely with the Shipping Federation of Canada and the B.C. Chamber of Shipping to ensure a smooth transition in the elimination of marine agent carrier codes. As the CBSA continues to modernize its border management practices, it is critical that the Agency receives the right information from the right trade chain partner. This will enable the CBSA to better identify risks before they reach the border and expedite processing throughout the commercial continuum. At the same time, the Agency understands the trade community's need for simple requirements and timely delivery.

The CBSA and the trade community have reviewed the Agency's carrier code application requirements and service standards. As a result, the CBSA is eliminating the requirement for proof of conveyance ownership (or lease) in all modes, and is accepting an International Maritime Organization Unique Company and Registered Owner Identification Number in lieu of proof of ownership. The CBSA

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will also be implementing an expedited process to ensure carriers receive their codes in a timely manner for all modes.

The CBSA has advised marine carriers and marine agents that it is extending the transition period for marine mode carrier codes. Marine agent carrier codes were set to be deleted from CBSA systems on September 30, 2013. To ensure carriers have sufficient time to obtain a customs bond (if required) and to apply for their carrier code, the CBSA has extended the transition period until January 30, 2014. During this period, the Agency will continue to work closely with both industry associations to ensure effective communications. Please note that additional information is provided in [\*Customs Notice 13-020\*](#).

### **eManifest – Transmitting advance house bill data**

On June 9, 2013, the CBSA successfully deployed electronic systems that enable freight forwarders to transmit advance house bill data on consolidated commercial goods coming into Canada. Functionality for new completeness notices (Matched/Not Matched) and a new Manifest Forward feature for house bill data were also included in this deployment package. This represents a key milestone as this particular client group had not been previously included in the trade chain partner continuum.

Regulations to enforce eManifest requirements for freight forwarders are expected to be in place in July 2014. The CBSA is actively building awareness of the new requirements in the trade community through activities such as:

- direct e-mail messaging to all CBSA-registered freight forwarders;
- participating in the Canadian International Freight Forwarders Association's cross-Canada eManifest Strategic Business Planning sessions;
- issuing of [eManifest Portal Shared Secrets](#);
- registering and testing client Electronic Data Interchange systems;
- delivering live and pre-recorded [Webinars](#) on freight forwarder requirements and eManifest Portal demonstrations; and

- holding conference calls with early adopters to share updates, best practices, and identify and resolve implementation issues.

While the June 2013 system deployment was a major achievement, eManifest development and implementation activities are ongoing, and work continues to further develop CBSA automated capabilities to enable the importer community to submit advance electronic information.

The [CBSA Web site](#) is the best source of information on eManifest. Please visit the site regularly and subscribe to the eManifest [RSS news feed](#) to be notified of important updates.

### **Modernizing border management**

At the May 2013 BCCC meeting, the CBSA presented its roadmap on the future of border management. Modern border management is about finding more efficient and effective ways to run the border, facilitate the movement of people and goods, and enforce Canada's laws. The CBSA's President has emphasized that modern border management is an Agency priority, and that the CBSA welcomes BCCC feedback to enhance its border programs.

This push for modernization aligns with the government-wide [Blueprint 2020](#) initiative, launched in June 2013 by the Clerk of the Privy Council. Blueprint 2020 calls for an open conversation about building a world-class Public Service equipped to serve Canada and Canadians now and into the future. Concurrently, the CBSA launched an internal modern border management strategy that seeks input from everyone in the Agency; frontline officers and headquarters-based analysts are among those that have contributed ideas so far.

Building on discussions from the last BCCC meeting, the CBSA continues to focus on the Beyond the Border Action Plan initiatives. As an example, eManifest continues to be implemented by client type. When fully implemented, eManifest will require carriers, freight forwarders and importers in all modes of transportation to electronically transmit advance commercial information (ACI) to the CBSA within prescribed mode-specific time frames.



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Streamlining thresholds and security requirements with the United States for established trusted trader programs, such as Partners in Protection and Customs Self-Assessment, is also an ongoing priority.

Infrastructure improvements to access Free and Secure Trade (FAST) lanes, automation at ports and the effect of ACI requirements are a few examples of issues raised by BCCC members. As always, the CBSA welcomes such valuable member feedback as part of its collaborative efforts to facilitate trade and increase security at the border, and looks forward to continuing the discussion on these issues at the BCCC meeting this fall.

### **Ensuring quality and consistency in the delivery of trade programs**

In recognition of the importance of ensuring consistency in the delivery of trade programs across Canada, the CBSA has recently taken several steps to support its senior officers of trade compliance (SOTCs) in achieving this goal.

#### *Tariff Classification Advance Rulings Manual*

In June 2013, the Tariff Classification Advance Rulings Manual was released to SOTCs across the country. This manual establishes the standard procedures to be followed when issuing [advance rulings on the tariff classification of goods](#), including standard templates to be used to ensure accurate and consistent messaging when communicating with CBSA clients. This manual is an evergreen document that will be revised as circumstances warrant (e.g. when unambiguous text is required to address very specific circumstances). The resulting format standardization of advance rulings will assist the CBSA in its mission to begin publishing all of its advance rulings on the Agency's Web site.

#### *Trade Verification Manual*

To promote compliance and ensure accurate assessment of duties and taxes, the CBSA conducts random and targeted verifications (i.e. audits) of importers and foreign exporters. The guiding document for these verifications is the CBSA's Trade Verification Manual (TVM). The TVM was

updated in April 2013 to modernize the Agency's approach to conducting trade compliance verifications. Over the past year, the CBSA has worked with its counterparts in the United States and Mexico to ensure commonality in the approach to verification within the North American Free Trade Agreement territory. The TVM will evolve over time, as further modifications are required to reflect changing realities in the trade world. Ultimately, the CBSA will ensure that importers have full access to the TVM in an online format.

#### *Duties Relief Administration Manual*

With respect to its trade incentive initiatives, the CBSA relies on the Duties Relief Administration Manual (DRAM) to govern the administrative processing of duty deferral programs, including Duties Relief applications, Drawbacks processing and Customs Bonded Warehouse oversight. Like the TVM, the DRAM has been recently overhauled to help ensure that the CBSA's SOTCs administer these programs in an effective and nationally consistent manner.

#### *Quality Assurance Program*

On April 1, 2013, the CBSA's Trade Programs Directorate launched a new Quality Assurance (QA) program, and has put in place a team of officers specifically dedicated to this important work. The Agency has also implemented "real-time" QA procedures that will better position the CBSA to achieve national consistency in delivering its trade programs. The CBSA remains committed to ensuring that its trade verification activities are effective and delivered uniformly across the country. Its new QA program is aimed at ensuring that these goals are achieved.

Through the use of a comprehensive review methodology, the QA process ensures the integrity of trade programs by confirming that all of the established national procedures are being followed. The program also ensures that trade decisions are accurate and in keeping with the applicable legislation, regulations and policies. These real-time reviews enable the CBSA to better address issues as they arise by communicating findings and best practices to its officers in a timely manner. The



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results also enable the Agency to identify specific procedural and training needs and implement corrective measures, where necessary.

QA reviews will be undertaken on an ongoing basis, and will include desk reviews carried out from Ottawa as well as on-site reviews conducted in the regional offices. While the QA process currently focuses on tariff classification, valuation and origin verification files, the process will be expanded to include all trade program activities. The goal for this first year is to review approximately 200 files, representing roughly 10 percent of the verification files closed over the course of a year. To date, the QA program has completed on-site reviews in four locations, and has reviewed 70 files in full, with the results shared with the relevant officers and their managers.

### **CBSA Assessment and Revenue Management (CARM) Update**

The merger of the Accounts Revenue Ledger (ARL) and CARM projects has resulted in a re-planning of the ARL component to align overall project deliverables and objectives. The CBSA is validating the ARL re-plan, and a decision is expected shortly, at which time an announcement will be made regarding the implementation timeline.

Following consultation with stakeholders on this re-alignment, certain design options, like billing periods and interest rate harmonization, will be moved to subsequent phases of the overall project. Clients who receive K84 statements today, i.e. clients with Release Prior to Payment privileges, will be migrated to the new daily notices and statements of account, which can be received using:

- CADEX/EDIFACT,
- XML, and
- the Agency portal.

ePayment options will be available for these clients, allowing remittances using Electronic Data Interchange or telephone/Web banking via Canadian financial institutions.

The BCCC CARM Sub-committee continues to be an important resource, enabling the CBSA to work

with the trade community on real-world solutions that are mutually beneficial. As the bulk of ARL deliverables advance to the build phase, consultations with stakeholders will continue.

The Electronic Commerce Client Requirements Documents have been provided to Sub-committee members and are available upon request. The CBSA encourages BCCC members to stay informed by visiting the CBSA Web site or by e-mailing the Agency at [CBSA-ASFC\\_CARM.GCRA@cbsa-asfc.gc.ca](mailto:CBSA-ASFC_CARM.GCRA@cbsa-asfc.gc.ca).

### **Federal Tourism Strategy Annual Report 2012**

The CBSA, along with other government departments and agencies, was pleased to contribute to Industry Canada's inaugural Federal Tourism Strategy Annual Report 2012, which can be found at [http://www.tourism.gc.ca/eic/site/034.nsf/eng/h\\_00430.html](http://www.tourism.gc.ca/eic/site/034.nsf/eng/h_00430.html). The CBSA is a member of Industry Canada's Federal Tourism Strategy Steering Committee and actively supports Canadian tourism initiatives.

### **BCCC sub-committee news**

#### *New eManifest Sub-committee*

As discussed at the May 2013 BCCC meeting, the CBSA and its trade partners have established an [eManifest Sub-committee](#). This BCCC Sub-committee was created to ensure an effective, coordinated and strategic approach to the consultation process and to discuss program alignment issues related to the implementation of eManifest. It will also complement and work with the other BCCC sub-committees.

Its consultations will enable the CBSA and the commercial trade community to discuss mutually beneficial resolutions to implementation and transition issues in a collaborative manner. Co-chaired by the CBSA's Bruna Rados, Director General, Major Projects, and Janice McBride, Vice-President, [Canadian Society of Customs Brokers](#), the eManifest Sub-committee held its inaugural meeting on June 25, 2013.



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### *System Outages Sub-committee update*

The BCCC [System Outages Sub-committee](#) hosted an in-person meeting in Ottawa on September 12, 2013. A key objective of the meeting was to review the work completed toward the action plan to develop contingency plans for all modes.

Created in 2012, the sub-committee addresses operational challenges faced by the trade community resulting from outages of the CBSA's various systems. Consisting of subject matter experts from both industry and the Agency, the BCCC System Outages Sub-committee holds biweekly teleconferences to discuss the progress of each of its six working groups, and provides a forum to discuss new issues raised by the CBSA's commercial clients.

The six working groups represent highway, rail, air, marine, accounting and the release notification system. Each working group is co-led by a CBSA expert and an external trade partner. They are tasked with reviewing the operational challenges resulting from system outages and to identify potential program, policy and/or system solutions. This includes discussions on streamlining operational procedures and the possible use of new technology to support potential solutions.

### **The BCCC Secretariat**

The BCCC forms an integral part of the CBSA's stakeholder engagement activities. If you have ideas for newsletter articles and/or questions about the BCCC and its activities, please e-mail the BCCC Secretariat at [BCCC-CCACF@cbsa-asfc.gc.ca](mailto:BCCC-CCACF@cbsa-asfc.gc.ca).