



CBSA Today: Commercial News for Stakeholders

Issue No. 4, Summer 2012



Time passes quickly. It has been a full year since we launched *CBSA Today – Commercial News for Stakeholders*, and, as I reflect on the past year's issues, I continue to appreciate how much your input on our commercial initiatives is helping the Canada

Border Services Agency (CBSA) offer improved programs and services.

With the recent achievement of a number of key milestones, we have good news to share in this issue about several major CBSA programs, including eManifest, the Courier Low Value Shipment Program and on exporting controlled goods.

As always, I encourage you to submit ideas for newsletter articles. Please e-mail your suggestions to the BCCC Secretariat at BCCC-CCACF@cbsa-asfc.gc.ca.

Cathy Munroe, Chair
Border Commercial Consultative Committee

What's Inside

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Modernizing the Courier Low Value Shipment Program

In December 2011, the CBSA announced additional eligibility requirements for participation in the Courier Low Value Shipment (LVS) Program. The Program will be open to companies who:

- are approved Partners In Protection (PIP) members as a courier or a carrier whose Courier LVS Program shipments are imported and transported by approved PIP carriers;
- allow the CBSA to use their proprietary systems for report / release functions and risk assessment capabilities; and
- can transmit their pre-arrival cargo data to the CBSA as they do today for high-value shipments. (This latter criterion will be implemented at a later date.)

As a result of this modernization, some participants were required to withdraw from the program and migrate to the regular import commercial stream where they are now able to function as customs brokers or freight forwarders.

Internal consultations are ongoing as security requirements are finalized for the introduction of the additional proprietary systems. These security requirements are crucial as the CBSA uses proprietary systems to store target data.



eManifest – Marking a major milestone

The CBSA is now able to receive advance cargo and conveyance information electronically in all modes of transportation. This major milestone was achieved with the deployment of [eManifest](#) systems for rail carriers in May 2012, and is an important step forward in creating a multi-modal manifest that is standardized across all modes of transportation.

An increasing number of highway carriers are now transmitting cargo and conveyance data to the CBSA prior to arrival at the border using [Electronic Data Interchange](#) (EDI) systems and the [eManifest Portal](#), which were launched in October 2010 and August 2011, respectively. Freight forwarders will be able to transmit house bill and supplementary cargo data in March 2013, and importers will be able to transmit advance trade data in July 2014.



The CBSA encourages all clients to be ‘early adopters’ of eManifest requirements. Early adopters have more time for registration, testing and making the necessary adjustments to their systems. They also benefit from a modernized and more efficient commercial border process. To help clients adopt eManifest requirements, the CBSA offers comprehensive online resources and client support, including eManifest requirements documentation, presentations and webinars, an eManifest Help Desk and a Technical Support Unit.

We encourage you to visit the [eManifest section](#) of the CBSA Web site regularly for the most recent information and to subscribe to the CBSA [RSS news feed](#) for important updates.

Commercial Transition Framework Working Group – Assessing the impact of eManifest

[eManifest](#) will have a major, transformational impact both on CBSA operations and on how external stakeholders will interact with the Agency. The Commercial Transition Framework has been established to assess these impacts and to ensure that strategies and plans are in place to transition to the new, modernized commercial process. This will include implementation plans for training, communications and outreach, and client support.

In support of the framework, a working group comprising management representatives from all regions has been established to ensure that eManifest implementation activities are rolled out based on operational needs, and that each port of entry is prepared for the changes to the commercial program. The working group will play a key role in collaborating with stakeholders to resolve issues identified at the border, in consultation with the CBSA’s eManifest and commercial program and systems areas.

Southern Ontario Region – Ensuring consistent and reliable commercial delivery



As a newly formed region with a significant percentage of national commercial volumes in the highway mode, the Southern Ontario Region will be significantly affected over the next few years as the CBSA transitions to the modernized commercial program. To ensure the region is prepared for the implementation of [eManifest](#) and initiatives under the Beyond the Border Action Plan, a thorough evaluation is underway on the readiness of the CBSA’s major commercial ports of entry in the Southern Ontario Region. The review will also ensure consistent and ongoing service delivery within the region throughout the transition. The CBSA encourages stakeholders to provide input. Please e-mail your suggestions to Tamara.Allard@cbsa-asfc.gc.ca.

Electronic Reporting of Controlled Goods – Streamlined order processing

The CBSA's Export Programs Unit, in collaboration with the Department of Foreign Affairs and International Trade (DFAIT), is implementing a new electronic process for exporters of controlled goods requiring DFAIT permits. The Electronic Reporting of Controlled Goods Program will enable exporters who are multiple DFAIT export permits holders to report their export declarations and permits using the [Canadian Automated Export Declaration \(CAED\)](#) or the [G7 EDI Export Reporting system](#).

The new reporting option addresses internal and external stakeholder concerns and streamlines border processing for multiple permits holders exporting controlled goods. It will expedite and ease the export of controlled goods by making the verification of the export declaration of controlled goods and DFAIT permits completely electronic, in CAED or G7 EDI. Participating exporters will also realize cost savings related to eliminating paper B13As and incurring fewer incidental penalties under the [Administrative Monetary Penalty System](#) (AMPS).

A Customs Notice explaining the program and providing details of the application process will be published this Fall. Given the number of eligible applicants, the CBSA will use a scoring system to prioritize program applicants. The application process is expected to be finalized by the end of 2012–2013. Stay tuned as the CBSA moves forward with this electronic reporting option.

Reason to Believe and Reassessment Policy Updates

As part of the CBSA's efforts to continue to improve the delivery of its core trade programs, changes are being made to the Reason to Believe and Reassessment policies, as set out in [Memoranda D11-6-6 and D11-6-10](#).

The Reason to Believe (RTB) policy is being revised to further clarify Criterion A, respecting legislative provisions that are "evident" and "transparent". The revisions will move the focus of RTB determinations away from errors that are made only as a result of

legislation that lends itself to different interpretations. This will enable the CBSA to focus more appropriately on situations where an importer has failed to exercise due diligence in ensuring that goods were accounted for in accordance with legislation that is abundantly clear and does not require any further policy clarification.

The Reassessment policy is being revised to shorten the time period for which an importer must file self-corrections when RTB has been established but where there are no additional duties or taxes owing as a result of the required changes. In such cases, the revised reassessment period will begin on the first date covered by the CBSA's trade compliance verification, going forward.

During the policy review process, the CBSA consulted widely within its own internal trade program areas and also with its external clients in order to ensure that the revised policies incorporate the broadest possible range of input and feedback. A special note of thanks goes to the Canadian Society of Customs Brokers and the Canadian Bar Association's Customs Committee for their significant contributions to this work.

The revised RTB and Reassessment policies will be published this fall and made available on the CBSA's Web site. Please note that the revisions will be effective immediately upon publication and will not be retroactive.

Canada's Free Trade Agreements – Origin Procedures

The origin procedures set out in Canada's free trade agreements (FTAs) are negotiated by the CBSA to ensure the integrity and effective administration of the related rules of origin. The procedures describe the rights and obligations of the trading community and the signatory parties, and include provisions for:

- the certification and verification of origin;
- proof of origin;
- importers' and exporters' obligations;
- advance rulings; and
- review and appeal rights.

Implementing an FTA typically results in amendments to the *Customs Act* and related regulations. All regulatory amendments need to be identified prior to the implementation of an FTA and are usually announced through a Customs Notice, which provides the CBSA with the legal authority to administer the rules of origin as of the FTA's implementation date. The details on certification and other information about claiming preference under a new FTA are also published in Customs Notices.

This year, Canada's FTA priorities are to conclude negotiations with the European Union and to implement a Canada–Jordan agreement, as well as any other agreements that pass through the required Parliamentary process. Negotiations are ongoing with CARICOM, Ukraine, India and Morocco. Canada also expects to soon launch FTA negotiations with Japan, and will participate in negotiations towards a Trans-Pacific Partnership once Canada's entry into that initiative is finalized. In addition, the negotiations towards FTAs with South Korea and Honduras are progressing, with the CBSA's portions already concluded.

Your BCCC Secretariat

The BCCC Secretariat forms an integral part of the Agency's stakeholder engagement activities, under the CBSA's Partnerships Division. If you have any questions, please e-mail the BCCC Secretariat at BCCC-CCACF@cbsa-asfc.gc.ca.