



Ottawa, January 28, 2015

# Customs Notice 15-002

---

## New Seizure Policy for Significant Undervaluation of Commercial Goods in the Courier Low Value Shipment (CLVS) Program

1. This notice announces the implementation of a new seizure policy for undervalued shipments of commercial goods imported through the Courier Low Value Shipment (CLVS) Program.
2. In circumstances where physical evidence has been discovered that a significant undervaluation has been made by the foreign exporter with respect to the value of the goods imported via the CLVS Program, seizure action may be taken under the exporter's name, under subsection 110(1) of the [Customs Act](#).
3. The Canada Border Services Agency (CBSA) will verify that the untrue statement originated from the foreign exporter of the goods, and that it did not originate from an error on the part of the CLVS Program participant.
4. Considering the "trusted trader" status accorded to Customs Self-Assessment (CSA) importers, goods that are destined to a CSA importer are excluded from this new seizure policy for undervaluation.
5. When a seizure action is undertaken, the Canadian importers will be provided with the Notice of Seizure informing them of their right to make a third-party claim, pursuant to section 138 of the [Customs Act](#) by submitting a request for a ministerial decision to protect their interest in the seized goods.
6. The following are the various actions that can be taken by the parties involved, as a result of an undervaluation seizure:
  - (a) The seized party (exporter) may, within 90 days of the seizure date, request a decision of the Minister with respect to the seizure.
  - (b) The importer may, within 90 days of the seizure date, request a decision of the Minister, with respect to the seizure, if there was a transfer of ownership or if it paid the terms of release.
  - (c) The importer may, within 90 days of the seizure date, present a third-party claim to protect his or her interest in the seized goods. The Recourse Directorate will review the file and, on behalf of the Minister of Public Safety, decide whether the importer's interest in the seized item should be protected or not. However, a third-party claim will be reviewed in accordance with the [Customs Act](#) and a determination may only be made when all the conditions therein are met. Depending on the circumstances of each case, when a review of the seizure is requested, it is possible that the third-party claim determination will only be made after the Minister's decision respecting the seizure review.
  - (d) The exporter may pay the Terms of Release that will be indicated on the seizure receipt, in order to obtain release of the seized goods. While this payment would not affect the exporter's right to request a decision of the Minister, it would remove the importer's third-party process right, since the payment would allow the release of the seized goods.
  - (e) If the importer has received a written authorization from the foreign exporter, the importer can pay the Terms of Release noted on the seizure receipt. This payment would make the importer's third-party process moot, since the payment would allow the importer to take possession of the seized goods.
7. This policy is intended to provide the CBSA with a means to deter exporters from undervaluing shipments that are destined to Canada.

8. Questions relating to the seizure policy should be directed to:

Transporter Compliance Unit  
Commercial Program Directorate  
Programs Branch  
Canada Border Services Agency  
Ottawa, ON  
K1A 0L8

9. Questions relating to the Courier LVS Program should be directed to:

Postal, Courier and Horizontal Policy Unit  
Commercial Program Directorate  
Programs Branch  
Canada Border Services Agency  
Ottawa, ON  
K1A 0L8