



Memorandum D3-1-8

Ottawa, May 26, 2017

Cargo – Export Movements

In Brief

This memorandum has been revised to:

- a) Include a definition of carrier
- b) Clarify the reporting requirements of the marine carrier (paragraph 22)

This memorandum outlines and explains the Canada Border Services Agency (CBSA) requirements and administrative policies regarding the report and control of cargo exported from Canada by air, highway, marine and rail carriers. Exporters of goods from Canada should refer to the following CBSA's publications and guidelines: [Memorandum D20-1-1, *Exporter Reporting*](#), and the [Step-by-Step Guide to Exporting Commercial Goods from Canada](#).

This memorandum does not outline the policies and procedures for the reporting of goods under the Customs Self-Assessment (CSA) Program; consolidated cargo reporting requirements and process for freight forwarders; goods whether commercial or personal transported by an individual who does not meet the criteria for designation as a carrier; coasting trade licenses, outward reporting and release of commercial goods. For information on the Customs Self-Assessment (CSA) Program policies, guidelines and procedures; refer to [Memorandum D23-2-1, *Customs Self-Assessment Program for Carriers*](#). For information on freight forwarder reporting processes, refer to [Memorandum D3-3-1, *Freight Forwarder Pre-arrival and Reporting Requirements*](#). For information on coasting trade license, refer to [Memorandum D3-5-7, *Temporary Importation of Vessels*](#). For information relating to trade incentive programs that may apply, please refer to the D7 Memoranda Series For information on the release of commercial goods, please refer to [Memorandum D17-1-4, *Release of Commercial Goods*](#).

Legislation

The [Reporting of Exported Goods Regulations](#) establish, under the authority of Part V, sections 95 to 97.2, of the [Customs Act](#), who must report goods exported from Canada, as well as the time, place and manner of reporting those goods. In addition, the Regulations specify exceptions to the reporting requirements and alternatives to the general manner of reporting.

Guidelines and General Information

Definitions

1. The following definitions apply to this memorandum:

ACROSS

Accelerated Commercial Release Operations Support System.

Act

Means the *Customs Act*.

Cargo

A term used to describe a collection of goods or shipment. It consists of a grouping of related goods. The cargo is detailed on the waybill, the manifest or a cargo control document.

Cargo control document

A manifest, bill of lading or other control document that acts as the record of a shipment entering or exiting Canada, e.g. Form A6A, *Freight/Cargo Manifest*.

Carrier

The CBSA defines a carrier as the entity operating a conveyance transporting specified goods to Canada. To operate a conveyance means to have legal custody and control of the conveyance as:

- (a) an owner,
- (b) a lessee under a lease or agreement of hire,
- (c) a charterer under an agreement of hire,
- (d) as a purchaser under a conditional sale or hire purchase agreement that reserves to the vendor the title to the conveyance until the purchase price is paid or certain conditions are performed, or
- (e) a mortgagor.

Consolidated shipment

A method of shipping whereby individual consignments from various consignors are combined to form a single shipment.

Consortium/Consortia

A group of carriers formed to undertake a partnership beyond the resources of any one member.

Container

A reusable and identifiable article of transport equipment for freight.

Conveyance

Taken from [*Customs Act*](#) ss. 2(1) Any vehicle, aircraft or water-borne craft or any other vehicle that is used to move persons or goods.

Conveyance operating carrier

The carrier company operating the conveyance transporting goods to Canada. This is true whether the carrier company owns the conveyance outright, leases the conveyance, or whether any type of security interest is registered on the conveyance.

Conveyance report

A document used to report the movement of a conveyance to a place outside Canada, e.g. Form A6, *General Declaration*.

Designated export office

Any CBSA office designated under section 5 of the Customs Act where the carrier may report an export movement. Visit the [CBSA website](#) for designated export office locations and hours of operation.

EDI

Electronic Data Interchange

Export documentation

With respect to carriers, means any form of conveyance report, cargo control document or other prescribed documentation necessary for the legal exportation of cargo from Canada.

Exporter

The holder of a business number for the purposes of the Act, who exports goods or causes them to be exported.

FROB

Freight Remaining on Board

In-transit

The movement of goods from a point in the United States to another point in the United States through Canada, as well as the movement of goods from a point in Canada to another point in Canada through the United States Highway and Rail modes only.

Mail

A letter or parcel transmitted through the services of the Canada Post Corporation.

Master carrier

See Conveyance Operating Carrier.

Memorandum of Understanding (MOU)

Is a written description of what two or more parties agree to do as part of an administrative arrangement. A memorandum of understanding is not legally binding.

MOU participant

With respect to the export of cargo, means a carrier or customs service provider who has formally entered into a memorandum of understanding with the CBSA and agrees to export only goods that have been or will be reported by the exporter in accordance with the regulations.

Non-resident exporter

An exporter whose business is not located in Canada but exports goods or causes goods to be exported from Canada.

NDR

No Declaration Required.

Place of exit

The location in Canada from which the cargo is exported.

Regulations

The [Reporting of Exported Goods Regulations](#).

Re-manifest

A new cargo control document, with a new cargo control number, that is presented to change a cargo control document previously submitted to the CBSA.

Report

To submit the necessary export documentation, on paper or electronically, to the CBSA.

Summary reporting

A reporting method for approved exporters who have met specific CBSA requirements. See [Memorandum D20-1-1, Export Reporting](#), for more information.

Transiting

The movement of foreign goods through Canadian territory from a point outside Canada to another foreign point.

United States

The United States of America, Puerto Rico and the United States Virgin Islands.

Reporting and Control Procedures

2. The [Reporting of Exported Goods Regulations](#) require that all Canadian exports, including in-transit movements, be reported to the CBSA by submitting the appropriate export documentation to a designated export office within legislated time frames.

3. The carrier is responsible for reporting the conveyance and the cargo through the preparation and timely submission of the conveyance report and cargo control document(s).

Note: It is the exporter's responsibility to report the goods using an export declaration and an export permit/license, where applicable. The exporter may contract this responsibility to a carrier or customs service provider, but the exporter is ultimately accountable for meeting the export reporting requirements set out in the Regulations. For more information, refer to [Memorandum D20-1-1, Exporter Reporting](#).

4. For goods transiting through Canada, the exporting carrier must use the same carrier code on the export documentation that was used at the time of import (Unless a re-manifest took place during transit).

5. Visit the [CBSA website](#) for export reporting office locations and hours of operation.

6. Where specific time frames do not exist for the submission of the carrier's export documentation, i.e. the conveyance report and cargo control document(s), documentation should be submitted to the CBSA within a reasonable amount of time prior to departure. Doing so may prevent delays and the necessity to offload a shipment or shipments from the conveyance.

Export Memorandum of Understanding

7. Under section 13 of the [Reporting of Exported Goods Regulations](#), the CBSA has entered into a MOU for carrier reporting with air, highway, marine and rail carriers and customs service providers and couriers.

8. The MOU is an administrative arrangement designed to enhance the security of international trade, expedite export shipments and increase compliance. They are maintained by the Import Export Program Unit.

9. The agreement is based on the participant's commitment to facilitate the export only those goods that have been or, in the case of summary reporting, will be reported to the CBSA by the exporter.

Note: A non-resident exporter is subject to the same reporting requirements under the Regulations as a Canadian exporter.

10. In this regard, the exporter must demonstrate to the exporting carrier that the goods have been or, in the case of summary reporting, will be reported to the CBSA by supplying proof of report.

Note: Only the exporter's proof of report is required; the exporter is not obliged to provide the MOU participant with a copy of the export declaration.

11. Proof of report will be in accordance with the method of report, as follows:

- (a) In the case of a Canadian Automated Export Declaration (CAED), the proof of export report number is 23 digits in length, e.g. 12X543SC123420070500546, and includes:
 - (i) the export licence number, which is composed of two numeric, one alphabetic and three numeric digits, e.g. 12X543;
 - (ii) the authorization ID, which is composed of two alphabetic and four numeric digits, e.g. SC1234; or three alphabetic and three numeric digits, e.g. ABC123; and
 - (iii) the form ID, which is composed of the year, month and five-digit sequential transaction number, e.g. 20070500546.
- (b) In the case of G7 Electronic Data Interchange (EDI) Export Reporting, the proof of export report number is 17 digits in length, e.g. RC123420070512345, and includes:
 - (i) the authorization ID, which is composed of two alphabetic and four numeric digits, e.g. RC1234; and
 - (ii) the form ID, which is composed of the year, month and five-digit sequential transaction number, e.g. 20070512345.
- (c) In the case of Form [B13A, Export Declaration](#), the CBSA-issued stamp, provides proof that the export declaration was presented to the CBSA and that the goods were reported within the time frames stated in the Regulations. The stamp consists of the year/month/day, time, port code and a unique six-digit reference number, e.g. 2007/05/17 13:00 497 123456. Alternatively, there may be instances in which the B13A proof of report number is manually written on the document.
- (d) In the case of summary reporting, the proof of report is the summary reporting ID number, e.g. SUM1234. This ID, usually notated on the cargo document, is unique to the exporter and does not change with each shipment.

- (e) In the case of in-transit cargo, the proof of report is the cargo control number that controlled the movement of the goods through Canada to the place of exit. In addition to being used as the proof of export report, the cargo control number is also used to acquit the in-transit movement prior to export. Refer to the “Report of In-Transit Movements” section (paragraphs 38-45) for more information.

Note: The U.S. Customs and Border Protection’s Automated Export System (AES) report number is not a cargo control number.

12. The MOU participant (carrier) should not accept a proof of export report that does not follow one of the above noted formats. However, it is not the participant’s responsibility to authenticate the proof of report provided by the exporter, nor is it the participant’s responsibility to enforce the reporting time frames applicable to the exporter.

13. If the goods are exempt from being reported by the exporter, the exporter is required to indicate to the MOU participant (carrier) that No Declaration is Required (NDR). The carrier may request more information, in which case the exporter must provide the MOU participant with sufficient detail as to why an export declaration is not required or the applicable NDR, e.g. commercial goods having a value of less than CAN\$2,000 is listed as NDR2. A list of NDRs can be found on the [CBSA website](#).

14. The MOU participant (carrier) will list the exporter’s proof of report, or NDR, using the cargo control document(s). Where the MOU participant reports via EDI Transmission, the exporter’s proof of report, or NDR, is recorded in the “Associated Transport Document Number” field. Alternatively, the carrier may submit a separate report summarizing the required information, provided it correlates to the cargo control document(s) and is submitted within the time frames outlined in the MOU.

15. In the case of consolidated shipments, the MOU participant (carrier) must provide the exporter’s proof of report, or NDR, for each shipment consolidated within the container/trailer/railcar.

16. In addition to providing the CBSA with the exporter’s proof of report, the MOU participant (carrier) must supply the exporter, directly or through the exporter’s customs service provider, with a transportation document number. The transportation document number is a compulsory element of the exporter’s export declaration and may be in the form of a booking number, manifest number, waybill number or a charter party date.

Note: Where the transportation document number is not yet available, the carrier will supply the exporter with an alternative reference number.

17. In return, the CBSA authorizes the MOU participant (carrier) to submit the cargo control document(s) after the conveyance has left Canada. The time frames for reporting are as follows:

- (a) where the cargo is exported by aircraft, within one business day after the day on which the aircraft departs from the place in Canada where it is loaded;
- (b) where the cargo is exported by vessel, within three business days after the day on which the vessel departs from the place in Canada where it is loaded; or
- (c) where the cargo is exported by rail, within one business day after the day on which the railcar on which the cargo is loaded is assembled to form part of a train for export, except where the CBSA and rail carrier(s) have formally agreed to alternative reporting timelines/procedures.

Reminder: There are no reporting requirements for highway carriers unless the exportation is part of an in-transit movement.

18. As per section 12 and subsection 13(4) of the Regulations, the CBSA reserves the right to request that the MOU participant (carrier) submit the cargo control document(s) before the goods leave Canada.

Note: The MOU participant (carrier) is still required to submit the cargo control document(s) as per the time frames outlined in paragraph 17.

19. The CBSA will verify the cargo control document(s) of the MOU participant to ensure that the commitments under the MOU are upheld. The CBSA reserves the right to terminate the agreement should an MOU participant fail to meet the terms and conditions of the MOU. Consequently, the carrier would be required to report all cargo prior to export and may be subject to Administrative Monetary Penalty System (AMPS) penalties.

20. The Export MOU application form and instructions for completion are available on the [CBSA website](#).

Advance Commercial Information

21. Electronic Export Reporting is an EDI based reporting process that provides for the carriers' electronic transmission of conveyance and cargo data within established time frames for export cargo. Although initially designed for imports, electronic reporting is available for marine exports and will be an option for other modes in the future. Visit the [CBSA website](#) for more information.

Note: Proof of report is a mandatory data element of the conveyance declaration.

Conveyance Reporting

22. Section 9(1) of the [Reporting of Exported Goods Regulations](#) states that the carrier, regardless of MOU status, must present the conveyance report to the designated export office closest to the place of exit before the conveyance departs. In rail mode, the conveyance report must be presented to the designated export office closest to the place where the railcar on which the cargo is loaded is assembled to form part of a train. In Marine mode, the conveyance report must be presented to the designated export office closest to the place where the goods are loaded aboard the vessel for export.

Note: Marine carriers reporting electronically must also present a paper copy [Form A6A, Freight/Cargo Manifest](#) of the conveyance report to the CBSA before the conveyance departs.

23. Where the Marine conveyance is loaded in more than one location, a conveyance report must be submitted to the designated export office closest to each place of lading. All other conveyance modes will report to the CBSA office closest to the place of exit.

24. Section 9(2) of the [Reporting of Exported Goods Regulations](#) excuses highway and air carriers, in the case of a regularly scheduled flight from submitting a conveyance report unless the CBSA requests that the carrier report the conveyance.

25. The conveyance report number is issued by the CBSA at the designated export office closest to the place of exit. This number must appear on the top right-hand corner of the conveyance report.

Note: Where the conveyance report is submitted electronically, the carrier is required to create an interim conveyance report number that must not be repeated within three years. This number must be noted in the “Remarks” field of the paper copy of the conveyance report submitted to the CBSA in order for the CBSA to access the information in ACROSS.

Consortia

26. Only the conveyance operating carrier is obliged to submit the conveyance report to the CBSA. The conveyance operating carrier must either provide the conveyance report number or a copy of the conveyance report to the consortium members.

27. The conveyance operating carrier must list all members of the consortium in the “Remarks” field of the conveyance report.

28. The CBSA-issued conveyance report number links the cargo of the consortium members to the conveyance and must appear on the top right-hand corner of the cargo control document(s) of each member. Alternatively, the consortium member may submit a copy of the conveyance operating carrier conveyance report.

Report of Ferries

29. Section 18 of the [Reporting of Exported Goods Regulations](#) states that where a vessel is used on a particular day solely or principally for the transportation of conveyances, travelers, hazardous waste, etc., across international waters, the carrier will report the exportation of the vessel by presenting the conveyance report to the CBSA officer at the designated export office located nearest to the place where the vessel docks immediately upon the return of the vessel to Canada after its last trip on that day.

Report of Fishing Vessels

30. As per section 16 of the [Reporting of Exported Goods Regulations](#), the exportation of a commercial fishing vessel that is registered or licensed under the [Canada Shipping Act](#) does not have to be reported to the CBSA each time the vessel leaves Canada. Therefore, the carrier will report the exportation of the vessel prior to the first international voyage by presenting the conveyance report to the CBSA officer at the designated export office.

Cargo Reporting

31. As per section 10 of the [Reporting of Exported Goods Regulations](#), the carrier is responsible for reporting all cargo, including in-transit cargo and FROB (freight remaining on board), by completing and presenting the cargo control document(s), prior to export, to the designated export reporting office located closest to the place where the cargo is loaded aboard the conveyance.

32. Section 12 of the Regulations states that a highway carrier is not required to submit the cargo control document(s) unless the export is part of an in-transit movement or the CBSA requests that the carrier report the cargo.

33. Where cargo is loaded aboard a conveyance at more than one port, the carrier is only required to report the cargo loaded at that location.

34. Carriers submitting the cargo control document(s) electronically must also transmit the electronic version of the previously filed conveyance report. This allows the CBSA and Statistics Canada to harmonize the documents.

Reminder: Unless the cargo is in-transit, an MOU participant (carrier) is eligible to report the cargo loaded at each location after the shipment has left Canada. See the section entitled “Export Memorandum of Understanding” for more information.

Report of Cargo Exported From a Warehouse

35. Where cargo is removed from a customs sufferance or customs bonded warehouse for export, the carrier must submit the cargo control document(s) to the CBSA for validation before the cargo is removed from the warehouse. Once validated, the CBSA will return the cargo control document(s) to the carrier; the document(s) are presented by the carrier to the warehouse operator to authorize the move of the goods for export and then to the CBSA at the place of exit.

36. Furthermore, where the cargo is removed from a customs bonded warehouse, an accounting document (e.g. [Form B3-3, Canada Customs Coding Form](#)) must accompany the cargo control document(s). The accounting document and the cargo control document(s) must cross-reference each other and care must be taken to ensure the description and quantities are the same on both documents. Refer to Appendix C of [Memorandum D17-1-10, Coding of Customs Accounting Documents](#), for a description of various forms of accounting documentation and instructions on how to complete them.

37. Refer to the [D4 Memoranda series](#) for more information concerning customs sufferance or customs bonded warehouses.

Report of In-transit Movements

38. An in-transit movement is considered both an import movement and an export movement. The report of the inbound movement is covered under section 12 of the [Customs Act](#) and the outbound movement is covered under section 95. This memorandum addresses only the policy and procedures as they pertain to the export movement of an in-transit shipment. For more information on the importation of cargo by mode, refer to the applicable [D3 Memoranda Series](#).

39. With regard to in-transit cargo, the CBSA aims to ensure that:

- (a) the cargo that exits the country is the same cargo that entered the country, i.e. original condition and quantity;
- (b) the in-transit cargo is not illegally diverted; and
- (c) the in-transit cargo is not a threat to Canada or its international destination.

40. With exception to Air mode, movements transiting through Canada, e.g. United States – Canada – Europe, section 11 of the Regulations requires that the exporting carrier, regardless of MOU status, report the transiting cargo prior to export.

41. Where the cargo is in-transit through Canada, and it originates from and is returning to the United States, i.e. United States – Canada – United States, the carrier will follow the “two-stop process” outlined in memoranda [D3-4-2, Highway Pre-arrival and Reporting Requirements](#) and [D3-6-6, Rail Pre-arrival and Reporting Requirements](#).

42. Where the cargo is re-manifested, the transferring carrier must provide the exporting carrier with the cargo control number and complete, accurate details of the in-transit movement. The exporting carrier must report the transferring carrier's cargo control number with the conveyance report. Additionally, the exporting carrier must report the transferring carrier's cargo control number and the complete, accurate details of the in-transit/movement on the new cargo control document(s). For example:

- (a) A shipment arrives by highway carrier at an airport in Canada transiting to Austria. The highway carrier must provide the air carrier with the cargo control number and complete, accurate details of the transit movement. Furthermore, a re-manifest of the cargo would have to occur. For more information on re-manifest, refer to [Memorandum D3-1-1, Policy Respecting the Importation and Transportation of Goods](#).
- (b) A shipment arrives by vessel at a marine port in Canada transiting to the United States by rail. The marine carrier must provide the rail carrier with the cargo control number and complete, accurate details of the movement.
- (c) A transiting shipment arrives by highway carrier at a Canadian rail yard for furtherance to a Canadian marine port for export to the Republic of Korea. The highway carrier must provide the rail carrier with the cargo control number and complete, accurate details of the highway portion of the movement. The rail carrier must provide the marine carrier with the cargo control number and complete, accurate details of the rail portion of the movement.

43. The carrier must report in-transit cargo before the goods leave Canada as follows:

- (a) If the goods are exported by mail, at the designated export office located closest to the post office where the goods are mailed;
- (b) If the goods are exported by vessel, at the designated export office located closest to the place where the goods are loaded aboard the vessel for export;
- (c) If the goods are exported by aircraft, at the designated export office located closest to the place of departure of the aircraft from Canada;
- (d) If the goods are exported by rail, at the designated export office located closest to the place where the railcar on which the goods are loaded is assembled to form part of a train for export; and
- (e) if the goods are exported by highway, at the designated export office located closest to the place of exit of the goods from Canada.

44. For all modes, the CBSA will ensure that the description and quantities on the cargo control document(s) match those reported on the previous cargo control document(s).

45. When accidents, load shifts or other circumstances occur during the in-transit movement, the carrier must contact the nearest CBSA office. The CBSA will provide the carrier with instructions for managing the cargo.

Air Shipments in Highway Service

46. When necessary, an air carrier may employ the services of a highway carrier to transport cargo for export from a Canadian airport to an airport in the United States. In these situations, the cargo must be re-manifested on a new (highway) cargo control document(s) and the highway carrier assumes full liability for the movement.

Record Keeping

47. Records must be kept in accordance with the policies set forth in [Memorandum D20-1-5, *Maintenance of Records and Books in Canada by Exporters and Producers*](#). In most cases, records must be retained for six years following the exportation of the commercial goods.

Privately Printed Forms

48. The private printing of the conveyance report and/or cargo control document(s) does not require CBSA approval. The cargo document must contain all prescribed fields and be in accordance with the specifications outlined in [Memorandum D3-1-1, *Policy Respecting the Importation and Transportation of Goods*](#). For guidance or for more information, refer to Memorandum D3-1-1.

Enforcement Information

49. For enforcement purposes, the CBSA may conduct examinations on a selective basis. If the CBSA elects to inspect a shipment, any moving or unloading of goods is done by, and at the expense of, the carrier.

50. An enforcement action, e.g. administrative monetary penalties, may be taken against non-compliant carriers once a point of finality has been reached. The point of finality represents the stage in the export process where the intent to export goods from Canada has been demonstrated conclusively and is determined according to the reporting requirements set out in the [Reporting of Exported Goods Regulations](#).

51. An amendment to the carrier's export reporting documentation is permitted, provided the cargo is physically within the carrier's control. If revised export documentation is submitted before the CBSA takes action against the carrier, the amended documentation will be taken into account. The CBSA will provide the carrier with every opportunity to report and otherwise comply under the [Customs Act](#) and its Regulations. For more information on amending export documentation, please see the [CBSA website](#).

Penalty Information

52. For information on administrative penalties, refer to [Memorandum D22-1-1, *Administrative Monetary Penalty System*](#). Additional information on AMPS penalties is also available on the [CBSA website](#).

53. Other administrative sanctions, such as the revocation of program privileges and penalties of Other Government Departments (OGDs), may also be applicable.

54. In some situations, failure to comply with the CBSA requirements outlined in the [Customs Act](#) may result in the seizure and forfeiture of the goods and/or conveyance, and criminal charges may be applicable.

55. AMPS penalties will be applied against the carrier code when the requirements set out by the [Reporting of Exported Goods Regulation](#) are not met.

Additional Information

56. For more information, within Canada call the Border Information Service at **1-800-461-9999**. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time / except holidays). TTY is also available within Canada: **1-866-335-3237**.

References	
Issuing Office	Transporter and Cargo Control Programs Unit Program and Policy Management Division Commercial Program Directorate
Headquarters File	7605-10
Legislative References	<i>Customs Act</i> <i>Reporting of Exported Goods Regulations</i>
Other References	D3-1-1 , D20-1-1 , D20-1-5
Superseded Memorandum D	D3-1-8 dated August 17, 2015