



Memorandum D19-7-4

Ottawa, February 9, 2023

Importation of Engines, Vehicles, Vessels, Machines and Equipment

In brief

1. This memorandum has been revised to align its content with regulatory text (consistency), to update hyperlinks throughout the document as well as the contact information in paragraph 25.
2. The Canada Border Services Agency (CBSA) assists [Environment and Climate Change Canada](#) (ECCC) in the administration of the [Canadian Environmental Protection Act, 1999](#) and [On-Road Vehicle and Engine Emission Regulations](#), [Off-road Compression-Ignition \(Mobile and Stationary\) and Large Spark-Ignition Engine Emission Regulations](#), [Off-Road Small Spark-Ignition Engine Emission Regulations](#), [Marine Spark-Ignition Engine, Vessel and Off-Road Recreational Vehicle Emission Regulations](#), [Passenger Automobile and Light Truck Greenhouse Gas Emission Regulations](#), and [Heavy-duty Vehicle and Engine Greenhouse Gas Emission Regulations](#). This memorandum outlines the requirements for the importation of regulated engines, vehicles, vessels and machines.
3. The [Canadian Environmental Protection Act, 1999](#) and the above cited regulations prohibit the importation of certain engines, vehicles, vessels machines and equipment unless they meet specific requirements. Companies importing regulated products are required to submit to ECCC certain information such as an importation declaration which includes a statement of conformity. Companies are also required to submit information to the CBSA to satisfy importation requirements under the [Customs Act](#).

Legislation

[Canada Border Services Agency Act](#) – Sections 5(1) and 5(2)

[Customs Act](#) – Sections 12, 31, 99, 101, and 107

[Canadian Environmental Protection Act, 1999](#) – Sections 153, 154 and 155

[On-Road Vehicle and Engine Emission Regulations](#) – Sections 39 - 42.1

[Off-road Compression-Ignition \(Mobile and Stationary\) and Large Spark-Ignition Engine Emission Regulations](#) – Sections 44 - 48

[Off-Road Small Spark-Ignition Engine Emission Regulations](#) – Sections 19 - 22

[Marine Spark-Ignition Engine, Vessel and Off-Road Recreational Vehicle Emission Regulations](#) – Sections 37 - 39

[Passenger Automobile and Light Truck Greenhouse Gas Emission Regulations](#) – Refer to applicable sections in [On-Road Vehicle and Engine Emission Regulations](#)

[Heavy-duty Vehicle and Engine Greenhouse Gas Emission Regulations](#) – Refer to applicable sections in [On-Road Vehicle and Engine Emission Regulations](#)

Guidelines and general information

Definitions

1. For the purpose of this memorandum, the following definitions are used:

Engine: Means any prescribed internal combustion engine, but does not include

- (a) an engine designed to propel an aircraft as defined in subsection 3(1) of the [Aeronautics Act](#);
- (b) an engine designed to propel rolling stock as defined in section 6 of the [Canada Transportation Act](#); or
- (c) a marine compression-ignition engine that is rated at 37 kW or more and is designed to propel a vessel.

Vehicle: Means any prescribed self-propelled vehicle, but does not include

- (a) an aircraft as defined in subsection 3(1) of the Aeronautics Act;
- (b) rolling stock as defined in section 6 of the Canada Transportation Act; or
- (c) a vessel that is fitted, for the purpose of propulsion, with a marine compression-ignition engine that is rated at 37 kW or more.

Vessel: Means any prescribed boat, ship or craft designed, used or capable of being used solely or partly for navigation in, on, through or immediately above water.

Machine: Means anything, including a vehicle, device, appliance or implement, powered by a prescribed engine.

Equipment: Means any prescribed equipment that is designed for use in or on a vehicle or engine.

Company: Means a person who:

- (a) is engaged in the business of manufacturing vehicles, engines or equipment in Canada;
- (b) is engaged in the business of selling to other persons, for the purpose of resale by those persons, vehicles, engines or equipment obtained directly from a person described in paragraph (a) or the agent of such a person; or
- (c) imports any vehicle, engine or equipment into Canada for the purpose of sale.

2. For further definitions and detailed description of the regulated engines, vehicles, vessels and machines, please refer to section 1 of the following regulations:

- (a) [On-Road Vehicle and Engine Emission Regulations](#);
- (b) [Off-road Compression-Ignition \(Mobile and Stationary\) and Large Spark-Ignition Engine Emission Regulations](#);
- (c) [Off-Road Small Spark-Ignition Engine Emission Regulations](#);
- (d) [Marine Spark-Ignition Engine, Vessel and Off-Road Recreational Vehicle Emission Regulations](#);
- (e) [Passenger Automobile and Light Truck Greenhouse Gas Emission Regulations](#);
- (f) [Heavy-duty Vehicle and Engine Greenhouse Gas Emission Regulations](#); or
- (g) Section 149 of the [Canadian Environmental Protection Act, 1999](#) (CEPA).

Requirements under the engine, vehicle, vessel and machine emission regulations

3. Regulations listed in paragraph 2 apply to all companies in the business of manufacturing, distributing or importing (new or used) prescribed classes of engines, vehicles, vessels, machines or equipment for sale, and to all persons who import them for their own use.
4. The regulations require importers to submit importation declarations to ECCC, as follows:
- (a) For all commercial importation pursuant to subsection 153(1) of CEPA, the regulations set out the information that must be contained in the declaration and do not prescribe a specific form. The information contained in the declaration can be provided in any format, as long as the prescribed

information is included in a signed declaration that is submitted to ECCC, in most cases, before importation. Please refer to the above regulations for more information on importation declarations to be submitted to ECCC.

Note: Importers that import a high volume of goods regulated under the instruments in paragraph 2 in a calendar year may provide the importation information on a periodic basis (i.e. bulk declarations) rather than for each importation event (i.e. transactional declarations). The volume threshold varies depending on the regulations. If choosing this option, a company must send a notice to ECCC to inform its intention to use bulk declarations prior to first importation during the applicable calendar year. The company must later provide the information required in an importation declaration to ECCC for all the products imported during the specified period.

The [Off-Road Small Spark-Ignition Engine Emission Regulations](#) requires all imports under these regulations to be reported on or before February 1 of the calendar year following the calendar year during which the importation occurred. This does not require sending a notice to ECCC of their plan to import.

Alternatively, individuals may submit information about importation of regulated products through the CBSA's Single Window Initiative (SWI). If you choose this option, you do not need to submit a separate declaration to ECCC (i.e. transactional or bulk). Note several of the ECCC regulations have annual reports, distinct from importation declarations, which need to be submitted after the regulated products are imported.

For importation of incomplete vehicles or engines pursuant to subsection 153(2) of CEPA, a company must submit to ECCC a declaration that contains the information referenced in the applicable regulations along with, in most cases, both statements:

- i. from the manufacturer stating that, when the engine or the main assembly of the vehicle, vessel or machine is completed in accordance with instructions provided by the manufacturer, the engine, vehicle, vessel or machine will conform to the standards prescribed under the regulations; and
- ii. from the company stating that the engine, vehicle, vessel or machine will be completed in accordance with the instructions provided by the manufacturer.

SWI provides means to meet this requirement for incomplete vehicles or engines by selecting the appropriate affirmation statement of compliance.

The importer must be able to comply with the necessary administrative requirements such as evidence of conformity, notice of defects and annual reports, as specified in the regulations. Please note that, it is the responsibility of the importer to ensure that the product meets all applicable requirements.

- (b) For personal importations pursuant to section 154 of CEPA, a person importing engines, vehicles, vessels or machines for their own use is not considered to be a company for the purpose of the regulations. However, there are regulatory requirements that must be met, which may include the submission of importation declarations directly to ECCC. The engines, vehicles, vessels and machines must also meet the applicable standards and bear prescribed labels. Please refer to the above regulations for further details.
5. In accordance with sections 153 and 154 of the [Canadian Environmental Protection Act, 1999](#), no company or person shall import any engine, vehicle, vessel, machine or equipment unless:
- (a) the engine, vehicle, vessel, machine or equipment conforms to the prescribed standards;
 - (b) evidence of such conformity has been obtained and produced in the prescribed form and manner;
 - (c) prescribed information relating to standards for emissions from the engine, vehicle, vessel, machine or equipment has been submitted;
 - (d) information is marked on the engine, vehicle, vessel, machine or equipment in accordance with the regulations;

- (e) if required by the regulations, prescribed documentation or accessories accompany the engine, vehicle, vessel, machine or equipment;
 - (f) prescribed information relating to the operation or use of the engine, vehicle, vessel, machine or equipment is disseminated in the prescribed form and manner;
 - (g) records are maintained and furnished in the prescribed form and manner in relation to the design, manufacture, testing and field performance of the engine, vehicle, vessel, machine or equipment; and
 - (h) in the case of engines, machines and equipment, the company maintains a registration system in the prescribed form and manner.
6. The import requirements apply to the following regulated engines, vehicles, vessels, machines and equipment:
- (a) light-duty vehicles;
 - (b) light light-duty trucks and heavy light-duty trucks;
 - (c) medium-duty passenger vehicles;
 - (d) class 2B and class 3 vehicles;
 - (e) heavy-duty vehicles;
 - (f) heavy-duty engines;
 - (g) on-road motorcycles;
 - (h) passenger automobiles;
 - (i) light trucks;
 - (j) vocational vehicles;
 - (k) on-road tractors and trailers;
 - (l) heavy-duty incomplete vehicles;
 - (m) off-road mobile and stationary compression-ignition engines and machines equipped with such engines;
 - (n) off-road small spark-ignition engines rated **up to 30 kW (40hp)** and machines equipped with such engines;
 - (o) off-road large spark-ignition engines rated **more than 19 kW (25hp)** and machines equipped with such engines;
 - (p) spark-ignited outboard engines, inboard engines and personal watercraft engines;
 - (q) a vessel, in which a fuel line or fuel tank is installed to supply a prescribed engine;
 - (r) snowmobiles, all-terrain vehicles, utility vehicles, and off-road motorcycles; and
 - (s) incomplete engines and vehicles of the aforementioned regulated classes of vehicles and engines.
7. The implementation of the SWI enables importers to satisfy ECCC's requirements to file an importation declaration by integrating the declaration with other data submissions required by the CBSA and other Participating Government Agencies and Departments (PGAs), through a single electronic portal utilizing the Integrated Import Declaration (IID). For additional information on the benefits of using SWI, please refer to the paragraph [Implementation of the CBSA SWI](#) below.

Exceptions

8. According to subsection [155\(1\)](#) of CEPA, sections 153 and 154 do not apply in respect of the importation of any engine, vehicle, vessel, machine or equipment if:
- (a) the company or person importing the vehicle, engine, vessel, machine or equipment makes a declaration to ECCC that the engine, vessel, machine or equipment will be used in Canada solely for purposes of exhibition, demonstration, evaluation or testing;
 - (b) the vehicle, engine, vessel, machine or equipment is in transit through Canada and is accompanied by written evidence establishing that the engine, vehicle, vessel, machine or equipment will not be sold or used in Canada; or

- (c) the vehicle, engine, vessel, machine or equipment is being imported exclusively for use by a visitor to Canada or by a person passing through Canada to another country.

Roles and responsibilities of the Canada CBSA

9. The CBSA assists ECCC in administering CEPA 1999 and its regulations as they relate to the commercial and non-commercial importation of engines, vehicles, vessels, machines and equipment.
10. The CBSA may detain engines, vehicles, vessels, machines and equipment under the authority of the [Customs Act](#) and refer them to ECCC for an examination or enforcement action either as a result of an ECCC request or when the border services officers find/determine suspected contraventions of CEPA 1999 and its regulations.

Roles and responsibilities of ECCC

11. ECCC is responsible for the administration and enforcement of all ECCC legislation.
12. ECCC may identify to the CBSA certain goods that may contravene ECCC legislation or pose a potential risk to human health or to the environment. ECCC may request the CBSA to detain these goods at the time of importation.
13. ECCC enforcement officers may examine goods detained by the CBSA, review documentation related to the detained goods, and, when applicable or necessary, administer penalties under CEPA 1999. Please refer to the [Penalties](#) section of this document.

Implementation of the CBSA SWI

14. On March 29, 2015, the CBSA SWI launched a new release service option (IID service option 911) that allows importers and customs brokers (must be registered with the CBSA) to submit and obtain electronic release for goods regulated by PGAs.
15. As of March 23, 2017, importers of engines, vehicles, vessels, machines and equipment have an option to submit release requests to the CBSA electronically by using an IID. The data elements required in the IID vary depending on the prescribed product(s) being imported and the applicable regulations. All of the data elements (optional, conditional, and mandatory) included in the IID for the importation of engines, vehicles, vessels, machines, and equipment can be found in the Appendix B3.4 of the [SWI IID Electronic Commerce Client Requirements Document \(ECCRD\)](#).
16. ECCC will receive the IID information at the time of release of each shipment. For more information about the SWI, please refer to the CBSA Web site [Single Window Initiative](#). The [SWI IID ECCRD](#) provides technical and system requirements information.

Using the CBSA SWI

17. When a SWI submission is received by the CBSA, the CBSA will transmit applicable data elements directly to the ECCC for their review and retention. This allows ECCC to receive the data in real time, allowing the department to engage with stakeholders as needed.
18. If importers use the SWI and complete all of the required fields accurately, they will not have to submit transactional or bulk importation declarations to ECCC, i.e., using the SWI will reduce the number of paper declarations to be submitted to ECCC and will facilitate and simplify compliance with regulatory requirements.
19. SWI also provides the added benefit of reducing the effort to produce mandatory annual reports required for certain regulations. The SWI optional data elements can be used to assist with the completion of ECCC's annual reporting requirements. This means that, if importers choose to provide information in those optional fields of the SWI, they will still have to provide an annual report to ECCC; however, the required data will be more easily accessible (e.g., data dump). Otherwise, importers would have to collect this information long after the importation has occurred.

Penalties

Administrative monetary penalty system (AMPS)

20. The Administrative Monetary Penalty System (AMPS) authorizes the CBSA to impose monetary penalties for non-compliance with the [Customs Act](#), the [Customs Tariff](#) and the regulations under these Acts, as well as contraventions of the terms and conditions of licensing agreements and undertakings. Please refer to the [Memorandum D22-1-1 Administrative Monetary Penalty System](#) for details.

Penalties under canadian environmental protection act (CEPA)

21. The [Environmental Violations Administrative Monetary Penalties Regulations](#) (AMPs Regulations) designate violations under CEPA, and associated regulations, that may be enforced by means of an AMP. The AMPs Regulations also specify the method used to calculate the amount of an AMP, including baseline penalty amounts for different types of violations and violators, and aggravating factors that, if applicable, increase the amount of the penalty.
22. For information on operational aspects of the AMPs regime, please refer to “[Policy Framework of the Administrative Monetary Penalty System at Environment and Climate Change Canada to Implement the Environmental Violations Administrative Monetary Penalties Act](#)”.
23. The following table represents the monetary penalty regime under the [Environmental Enforcement Act](#) that amends the fines, sentencing provisions and enforcement tools of six acts administered by ECCC, including CEPA.

Fine Regime under the Environmental Enforcement Act					
Offender	Type of Offence	Summary		Indictment	
		Minimum	Maximum	Minimum	Maximum
Individuals	Most serious offences	\$5 000	\$300 000	\$15 000	\$1 M
	Other offences	N/A	\$25 000	N/A	\$100 000
Small Corporations & Ships under 7500 t	Most serious offences	\$25 000	\$2 M	\$75 000	\$4 M
	Other offences	N/A	\$50 000	N/A	\$250 000
Corporations & Ships over 7500 t	Most serious offences	\$100 000	\$4 M	\$500 000	\$6 M
	Other offences	N/A	\$250 000	N/A	\$500 000

24. The courts may impose penalties in accordance with the penalty regime specified in CEPA, section 272 and onwards.

Additional information

25. For further information concerning import requirements under the CEPA 1999 and its regulations, please contact the Transportation Division, Environment and Climate Change Canada at infovehiculeetmoteur-vehicleandengineinfo@ec.gc.ca or **1-844-454-9017**.
26. For more information regarding the CBSA’s programs and services, please contact the Border Information Service (BIS) line. Within Canada, you can call BIS toll-free at **1-800-461-9999**. From outside Canada, please 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 at **1-866-335-3237**.

References	
Issuing Office	Other Government Department Programs Unit Program and Policy Management Division Commercial Program Directorate Commercial and Trade Branch
Headquarters File	TBD
Legislative References	<u>Canada Border Services Agency Act</u> <u>Customs Act</u> <u>Canadian Environmental Protection Act, 1999</u>
Other References	<u>D22-1-1</u>
Superseded Memorandum D	D19-7-4, dated November 29, 2019