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Trade Chain Partner Working Group (TCP WG) Consultation Session

DRAFT – FOR DISCUSSION PURPOSES ONLY

November 19, 2019

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Teleconference Technical Guidelines

- Call in to the meeting by dialing the number provided in the invitation.
- Please mute your phone by pressing *6
- To unmute your phone press *7 and join the discussion, it is helpful for participants if you can identify yourself before speaking
- Once you are finished speaking, please mute your phone again by pressing *6
- To answer an incoming call, please hang up the line and call back into the meeting. Putting the call on hold may cause the group to hear background music or beeping.

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Agenda

Topic	Speaker	Timing
Technical Rules of Engagement	Kevin Horseman	10:00AM – 12:00PM
Opening Remarks	Lisa Anawati	
Recap of September TCP WG Sessions / Questions & Answers	Kevin Horseman	
Lunch		12:00PM – 12:45PM
TCP Disbursement Proposal	Debbie Price	12:45PM – 1:15PM
Program Authority Update	Irene Serry / Tara Rathbone	1:15PM – 1:45PM
Upcoming TCP Engagement	Kevin Horseman	1:45PM – 2:00PM
Health Break		2:00PM – 2:15PM
Cloud Discussion	TBS and CARM	2:15PM – 3:30PM
Roundtable and Conclusion	Lisa Anawati	3:30PM – 4:00PM

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Recap of September TCP WG Sessions / Questions & Answers

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Recap of September TCP WG Sessions

- Detailed the various reporting and data extract capabilities that will be available through the CARM Client Portal (CCP).
- Provided a walkthrough of how financial information and correspondence will look under CARM.
- Discussed some of the key transition considerations for the trade chain community, as the project approaches Release 1 and 2.
- Provided an overview of the upcoming cycle of outreach that the project will be conducting with TCPs, which includes a series of webinars (live and recorded) and open mics that will provide key solution details and updates.

→ CARM is currently conducting a 2-day in-person deep-dive session with technical stakeholders on key topics such as the new CAD data model, and adjustments/corrections.

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Questions & Answers

Question	Answer
General Portal Questions	
Will Trade Chain Partners (TCPs) have the ability to modify their offsetting options through the portal?	A TCP in good standing with the CBSA will be able to modify their offsetting options through the CARM Client Portal.
Will any CBSA fee (e.g., transactions, adjustments, penalty assessments, interest, etc.) be viewable on a TCP's account in the CARM Client Portal?	All debits and credits will be posted to the client account for viewing in the CARM Client Portal. This includes any transactions, adjustments, appeal decisions, penalty assessments, special service fees and interest.
Will it be mandatory to create an account in the CARM Client Portal (CCP)?	All clients that interact with the CARM solution will be required to register for an account in the CCP.
Daily Notice (DN)	
Will there be a Daily Notice (DN) created for trade service advisors (e.g., trade consultants, accountants, or lawyers)?	CARM is investigating adding this to the scope; the layout and other details would be exactly the same as the Broker DN.

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Questions & Answers (cont.)

Question	Answer
Access	
If an importer wishes to restrict viewing access to specific transactions, will that be possible?	No, importers will not be able to restrict viewing access to a specific transaction. If an importer gives a customs broker access to their transactions, all filings of the importer will be viewable as if they were an employee of the importer.
When someone other than the original entry filer, versions an entry after payment, will the original filer receive a notification that the entry has been changed?	CARM can send correspondence to the original filer in the form of an email from the portal. However, this email will not include any details of the change in question.
Please confirm who can access a transaction for correction prior to payment. Will it only be the importer and their customs broker? Furthermore, what if payment is due and not made on time; will a third party still have access to the file to perform an adjustment after payment *due date* if the payment is not made?	During the correction period, Customs Brokers can only access transactions they filed. If Importers would like another Customs Broker to make a correction prior to payment due date, they can re-assign the filer on CADs so another Customs Broker can correct the CAD. Following payment due date, whether a payment was made or not, all parties with delegated authority to adjust a CAD will able to do so.

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Questions & Answers (cont.)

Question	Answer
Reporting and Data Extract	
Is there the ability to print a report for delegated access?	The Account Owner/Business Account Manager will have visibility into the individuals/entity they have delegated access to. However, due to privacy concerns, further granularity will be outside of the CARM solution. Clients will able to filter for desired data to extract and print.
Will the FIRM report still exist as it does today?	No. Self-serve data extract functionality within CARM will allow for clients to pull required data as needed replacing the need for a FIRM report.

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TCP Disbursement Proposal

Material provided and presented by Debbie Price

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Scenario – Eligible for disbursement

Large Importer with three (3) RM accounts (RM0001, RM0002, RM0003

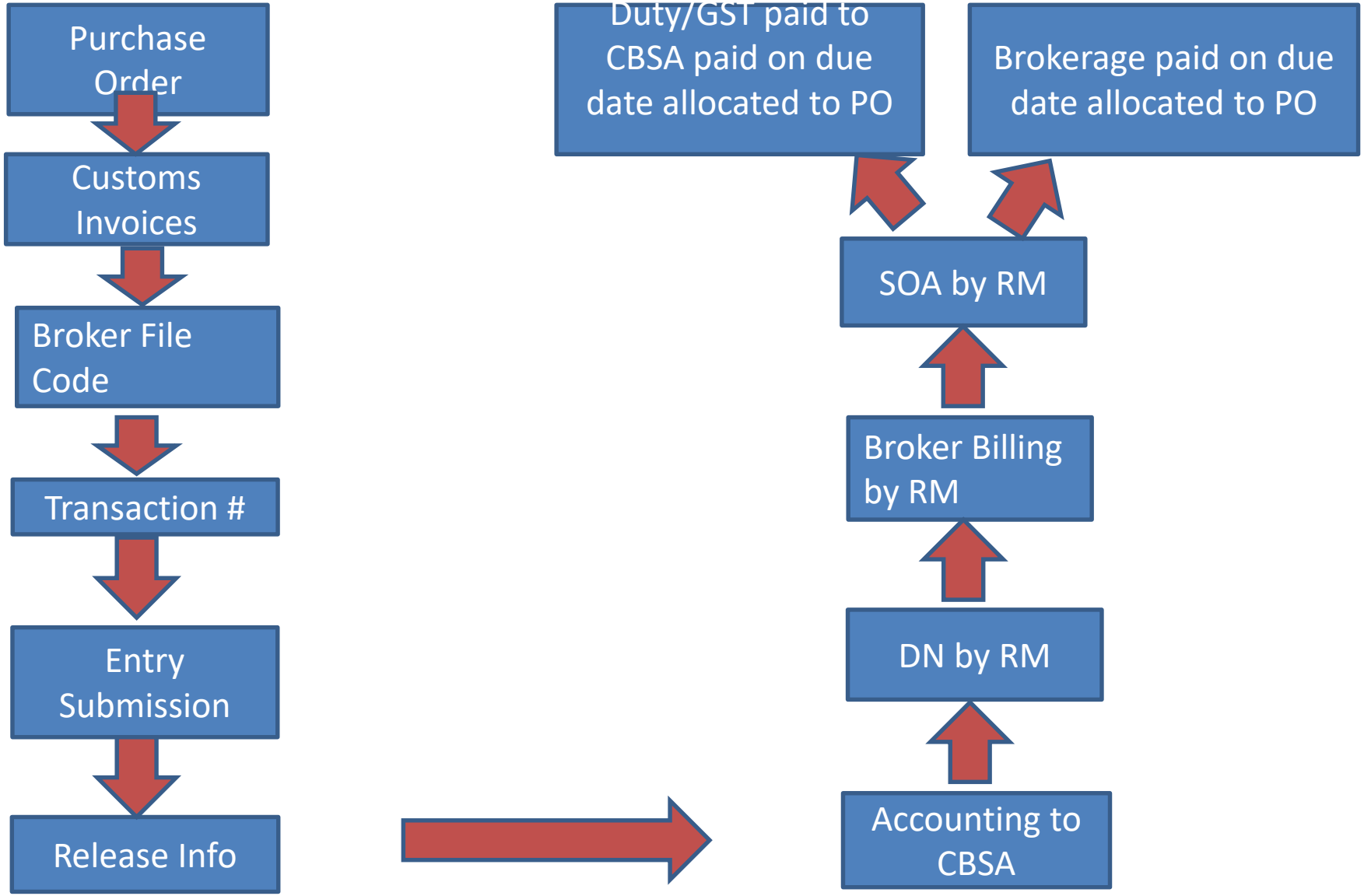
- RM0001 has a debt of $10,000 on the account
- RM0002 has a debt of $20,000 on the account with $32,000 in credits and $17,000 in payments
- RM0003 has a debt of $40,000 on the account with $54,000 in credits

RM Account	Total debits on the Account	Total Credits on the Account	Payments	Net Balance per RM	Reconciliation by RM	Importer Allocation
RM0001	$ 10,000.00			$ 10,000.00	PD by Imp on due date	Imp. Allocations to transaction/PO
RM0002	$ 20,000.00	$ (32,000.00)	$ (17,000.00)	$ (29,000.00)	Pd by CBSA after Imp pays due debit on all RM	Imp. Allocations to transaction/PO
RM0003	$ 40,000.00	$ (54,000.00)		$ (14,000.00)	Pd by CBSA after Imp pays due debit on all RM	Imp. Allocations to transaction/PO

- CBSA collects all debt owing by RM on due date

- CBSA pays credits by RM after all debt is paid on all RM accounts.
- Importer by RM allocates debts and credits to correct division by transaction/PO
- Finance is happy!

Importer Purchase Order Flow



CBSA Verifications

- CBSA Request the following information:
  - Canada Customs Coding Forms (B3)
  - Relevant Certificates of Origin
  - **Purchase Orders (PO)**
  - Commercial Invoices
  - Bill of Lading

- Depending on the type of Verification CBSA will request proof of payment to supplier

- Proof of Payment has to match the PO and declaration to CBSA (with adjustments)

- **How can we determine what we paid CBSA (credit/debit) if taken across RM and not identified clearly?**

Sample DN and SOA

Required for reconciliation to PO

Broker

Direct I/G	Doc Type	Release Date	Accounting Date	Port	Document #	Duties	SIMA	Excise Tax	GST/PST/HST	Others	Total	Related Doc No	PO	Billed Amount	Warning
	B3	2019-02-19	2019-02-25	0809	12161101112407				2,458.00		2,458.00		BYYZ00118127053	2458.00	
	B3	2019-02-18	2019-02-25	0009	12161101126517				6,631.31		6,631.31		BYYZ00119128569	6631.31	
	B3	2019-02-18	2019-02-25	0809	12161101128815				36.97		36.97		BYYZ00119128945	36.97	
	B3	2019-02-18	2019-02-25	0809	12161101128837				1,282.03		1,282.03		BYYZ00119128947	1282.03	
	B3	2019-02-18	2019-02-25	0809	12161101128859				1,239.88		1,239.88		BYYZ00119128949	1239.88	
	B3	2019-02-18	2019-02-25	0809	12161101128860				1,562.90		1,562.90		BYYZ00119128950	1562.90	
	B3	2019-02-18	2019-02-25	0809	12161101128871				982.70		982.70		BYYZ00119128951	982.70	
	B3	2019-02-18	2019-02-25	0809	12161101128882				2,227.58		2,227.58		BYYZ00119128952	2227.58	

Transactions 2019-02-25 to 2019-03-24

Business Day	Customs Duties	SIMA	Excise Tax	GST/PST/HST	Others	Total
24-Feb-19	316,896.04			181,512.55	300.00	498,708.59
25-Feb-19	553,822.88	434.09		319,144.55		873,401.52
26-Feb-19	513,444.63			322,415.18		835,859.81

Sample of SOA received now

Other Transactions										
Document #	Document Type	Total	Status	Broker Indicator	Payment Category	Payment Due Date	Document Issue Date	Check Number or Payment Ref.	Related B3 Document	Job Number
000400401402	PM	(8,617,415.54)	Credit document has been offset against CBSA invoices				2019-03-05			
12161001677818	B2	5,678.41	Late			2018-05-05	2018-04-05		12161001454067	
12161100652900	B2	2,711.84	Late			2018-03-15	2018-02-13		12161100489536	BYYZ00117077262 / BYYZ00117059332
00001004051795	B2	1,510.31	Disbursed. The refund has been approved			2018-03-15	2018-02-13	273900036903	12161001662047	

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Additional questions?

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Program Authority Update

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Program Authorities – State of Play Summary

- **Release 0 (Spring 2020)**
  - IT-related changes
  - No regulatory or legislative changes required
- **Release 1 (Fall 2020)**
  - Introduction of basic portal functionality
  - No regulatory or legislative changes required
- **Release 2 (Spring 2021)**
  - Full CARM functionality and policy changes introduced
  - Regulatory and legislative changes are recommended

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Program Authority – Accomplishments

Accomplishments:

- Regulatory and legislative amendments have been identified, and documented as recommendations in a policy paper:
  - Five proposed areas of change:
    - billing;
    - accounting;
    - electronic communications;
    - financial security; and
    - payment.
- Consultations related to the proposed changes have been integrated into the existing TCP Working Group sessions, and will continue throughout the upcoming months.

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Upcoming TCP Engagement

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Purpose

- Provide an overview of upcoming engagements with Trade Chain Partners to communicate Release 1 and Release 2 changes.
- Seek support from members to champion CARM within their respective areas and ensure alignment with messaging to the trade chain community.
- The current scope of engagement spans from November 2019 to February 2020.

CARM will leverage a variety of different communication channels that ensures TCPs understand key solution details, and are encouraged to participate in upcoming webinars and open mics.

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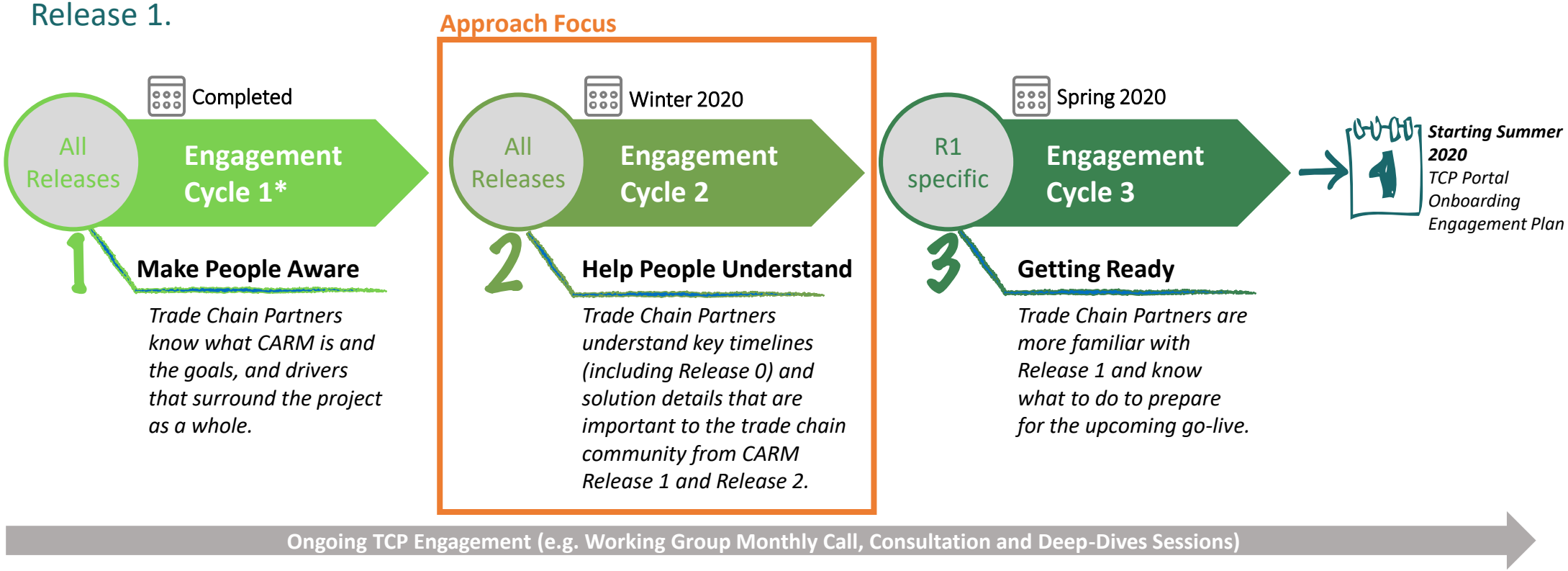
TCP Engagement Overview

The following depicts the cycles of TCP engagement that the CARM will be executing against, in advance of Release 1.



*Cycle 1 is a recommended pre-requisite (e.g. in the form of the CARM 101 webinar) for TCPs' participation in Cycle 2.

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Target Audience Segmentation

Audiences will be segmented based on their key topics of interest, and have been broken down into 3 key groupings:

- **CARM Ambassadors**: Key TCP stakeholders that will be engaged first to enable promotion of CARM information, resources and events to their importers networks in order to increase visibility of this engagement cycle.
- **Importers**: Targeted audience for this engagement cycle.*
- **Other TCPs**: Other key TCPs that will be impacted by Release 2, will be able to attend activities and will benefit from communication materials, but aren't the key targeted audience for this engagement cycle.

#	Grouping	TCP Stakeholder	Audience	Key Topics of Interest
1	CARM Ambassadors	Customs Brokers	• ~300	• Delegation of authority; CARM billing cycles; CAD, corrections, and adjustments; financial security, EDI
2		Trade Service Advisors	• ~87	• Delegation of authority; CARM billing cycles; rulings and appeals; CAD, corrections, and adjustments;
3		Technical TCP stakeholders	• Software Providers: ~10 • IT representatives from organizations whom transact directly with the CBSA	• Registration and enrolment; CAD, corrections, and adjustments; EDI; APIs; ECCRD
4		Sureties	• TBD	• Financial security, delegation of authority, registration and enrolment
5	Importers	Importers	• ~228,000	• CARM Client Portal (CCP); registration and enrolment; delegation of authority; CARM billing cycles; CAD, corrections, and adjustments; financial security
6	Other TCPs	Other TCPs	• Warehouse Operators: ~1,150 • Transporters • Couriers • Duty-Free Shops: ~56 • Exporters: ~268,000	• CCP; registration and enrolment; billing and payment processing

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TCP Outreach – A Staged Approach

	Winter 2020 1. Initiate Marketing Campaign	Winter 2020 2. Deliver Webinars/Open Mics to CARM Ambassadors and Coordinate Marketing Push to Importers	Winter 2020 3. Deliver Open Mics to Importers and Other TCPs
Objectives	**Deploy marketing campaign with communication materials using a variety of channels to boost awareness of CARM and the upcoming webinars/open-mics series.**	**Inform targeted TCPs (i.e. CARM Ambassador) on how CARM will impact them, providing them with an opportunity to ask questions and priming them to encourage importer get engage with CARM.**	**Provide importers with an opportunity to ask questions and share concerns to the project team.**
Key Outreach Activities	• Publish web communications • Distribute communication materials • Conduct short 'plugs' at association events and include CARM webinar information in formal association meeting presentations • Monitor webinar and open mic registration • Distribute recorded CARM webinars	• Deliver webinars and open mics for CARM Ambassadors • Distribute recordings and presentations of CARM webinars • Conduct short 'plugs' at association events and include CARM webinar information in formal association meeting presentations	• Deliver open mics to Importers and Other TCPs
Outcomes	✓ CARM contacts are promoting webinars with info to cascade to their respective colleagues ✓ TCP community is aware of CARM webinars/open-mics ✓ CBSA operations teams (i.e. at POE) providing CARM materials to TCP clients ✓ Webinar and open mic schedule is approved, and sessions and supporting meetings are scheduled	✓ Webinars and open mics take place with strong participation from CARM Ambassadors ✓ CARM Ambassadors are promoting webinars and are equipped with information to cascade to importers ✓ Importers and Other TCPs understand how CARM will impact their business	✓ Webinars and open mics take place with strong participation from the Importer community

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Webinar and Open Mic Overview

Webinars (CARM Ambassadors)	Recorded Webinars (Targeted to Importers)	Open Mics (All TCP Stakeholders)
• Webinars will provide key messaging on timelines, objectives and benefits, targeted to sub-sets of the CARM Ambassador audience, and will serve as input to the corresponding open mic sessions that will follow. • These webinars will present key information on CARM Release 1 and high-level information on Release 2. • Aims to further encourage audiences to push CARM materials and information (e.g., recorded webinars, info-pack) to TCPs.	• Recorded webinars will provide key messaging on the project's timelines, objectives and benefits, divided into a series of recordings on specific topics. • Webinar recordings will serve as an input to the corresponding open mic sessions that will follow. • Webinars will present key information on CARM Release 1 and high-level information on Release 2. The content will be designed primarily for the importer community, however, will still be available to other TCPs.	• The purpose of the open mics are to provide a forum for interaction with TCP audiences that participated in webinars/recorded webinars, aimed to gather feedback and questions from the trade chain community.

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Proposed Recorded Webinars (Importers)

The following details the topics that the recorded CARM webinars will be composed of.

Recorded Webinar	Topic	Timing
1	***CARM 101***	
	CARM Objectives & Benefits	2 mins
	Deployment Strategy	3 mins
2	***Everything You Need to Know About CARM Release 1 – In Under 15 Minutes***	
	CCP Overview & Portal Registration	5 mins
	Delegation of Authority	5 mins
	Billing and Payment Processing	3 mins
	Rulings	2 mins
3	***Financial Security Changes to Come in Release 2 (10 minutes)***	
	Financial Security	10 mins
4	***Everything [Else] You Need to Know About CARM Release 2 – Registration & Enrolment (5 minutes)***	
5	***Everything [Else] You Need to Know About CARM Release 2 – CAD, Corrections & Adjustments (5 minutes)***	
6	***Everything [Else] You Need to Know About CARM Release 2 – CARM Billing Cycle (5 minutes)***	
7	***Everything [Else] You Need to Know About CARM Release 2 – Compliance & Appeals (5 minutes)***	

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Additional questions?

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CARM and the Cloud

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Cloud First

The Government of Canada's Journey to the Cloud

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Lines of Defense to Secure CARM Data in the Cloud

In order to ensure the CARM's Protected B level data is secured while housed in the Cloud and also while being transmitted to and from the Cloud, the project is implementing a number of Lines of Defense including:

1. Ensure that Deloitte partners with a Cloud Service Provider (CSP) that is certified by CSE at the Protected B level;

2. Ensuring that a Privacy Impact Assessment (PIA) and a Statement of Sensitivity are completed and approved by the Office of the Privacy Commissioner;

3. Implementing the Secure Cloud Enablement and Defence (SCED) solution; envisioned and developed by SSC, TBS and CSE;

4. Assessing the CARM solution against the applicable GC cloud-based Security Controls.

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AWS is a CSE certified CSP

- CSE has certified Amazon Web Services (AWS) as a Cloud Service Provider (CSP) for the GC in the handling of Protected B level information.
- AWS implements and maintains technical security measures applicable to their cloud infrastructure services under globally recognized security assurance frameworks and certifications, which are validated by independent 3rd party assessors and are designed to prevent unauthorized access to or disclosure of content.
- CARM data stored in the AWS cloud is encrypted, with encryption keys owned by the GC. Data is not visible to AWS.

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Roundtable and Conclusion

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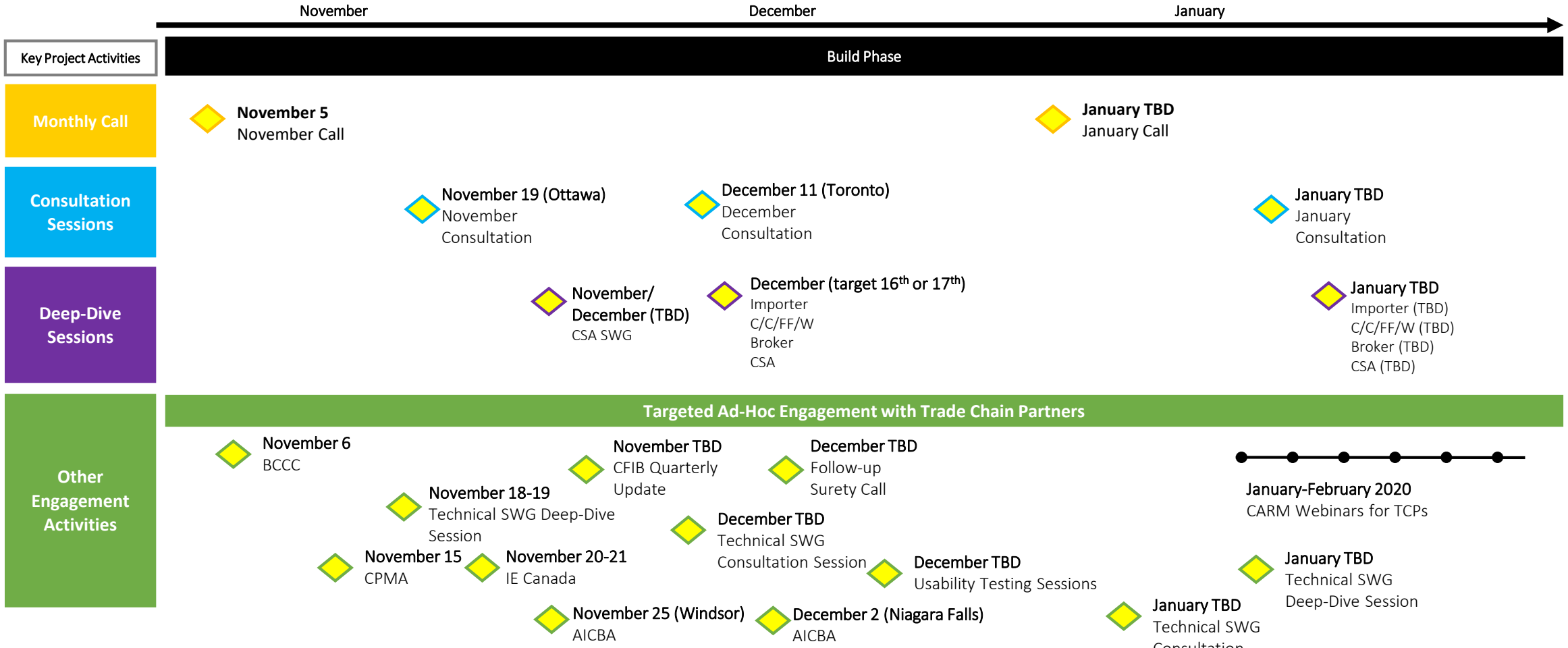
Updated TCP WG Activity Calendar

The following outlines the high-level schedule for the upcoming 3 months of TCP WG activities, including other relevant CARM TCP engagement activities.



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Thank You!