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Trade Chain Partner Working Group (TCP WG)

DRAFT – FOR DISCUSSION PURPOSES ONLY

December 2, 2020

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Teleconference Technical Guidelines

- Join the webex information from the invitation, upon joining the meeting the call in details (phone number, meeting ID and access ID) will be provided.
- You will be muted upon joining the meeting, to join the conversation press the unmute button at the bottom-middle of your webex screen.
- If you are only calling in, please mute your phone by pressing *6 and unmute your phone press *7 to join the discussion. Once you are finished speaking, please mute your phone again by pressing *6.

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Agenda

Topic	Speaker	Timing
Technical Rules of Engagement	Kevin Horseman	9:00AM – 9:05AM
Opening Remarks / CARM Project Update	Lisa Anawati / Kevin Horseman	9:05AM – 10:25AM
ECCRD / API Update	Carola Daffner	10:25AM – 10:45AM
Break		10:45AM – 11:00AM
Release 1 ARL Balance	Carola Daffner	11:00AM – 11:20AM
The ASEC Number and its Role in CARM	Jonathan Hopkins	11:20AM – 11:50AM
CARM Communications and Engagement Update • **Portal Onboarding Plan**	Kevin Horseman	11:50AM – 12:45PM
Roundtable and Conclusion	All	12:45PM – 1:00PM

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Opening Remarks / CARM Project Update

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CARM Project Update

- Release Plan
- Communication Products
- Delegation of Authority Playbook
- ECCRD and API timeline
- Financial Security
- CLVS
- CSA

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Q&As from recent discussions

QUESTION		ANSWER
1	Will supporting documentation be required for all corrections and adjustments made that result in les money owed to the CBSA?	Supporting documentation will not be required at the time of submission of the correction, however it **may be requested** by the CBSA for any correction (changes made prior to the payment due date) that results in less money owed to the CBSA. Supporting documentation **will be required** for any adjustments (changes made after payment due date) that result in a refund.
2	Will Rulings be visible in the CARM Client Portal to anyone with delegated authority to an importer's account?	Rulings will only be visible in the CARM Client Portal to the importer and the filer of the ruling submission. Regardless of the access provided on an importer's account.

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Q&As from recent discussions

QUESTION		ANSWER
3	Will zero dollar transactions appear on the Daily Notice?	Zero dollar transactions will not appear on the Daily Notice in CARM. CARM will deliver proof of transaction completion by CBSA through the Commercial Accounting Declaration (CAD) return message in near-real time. This provides the flexibility to TCPs to package those transactions based on their individual requirements for the purpose of billing their clients.
4	Will there be an EDI message response when an adjustment has been approved or denied by a CBSA officer?	CARM provides significant improvement to the current paper based adjustment process, including delivery of the Notice of Decision. TCPs will have the option to call an API to receive the latest version of a CAD after receipt of the Notice.
5	Is it possible for the BAM to accept an employee request without yet assigning an RM account or user role? Can an employer have a list of accepted but unassigned employees on account?	No. The approval of an employee requires that the employee be assigned to at least 1 RM and 1 user role.

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Q&As from recent discussions

QUESTION		ANSWER
6	How many days after payment date will the payment allocation be run in the CARM environment?	Electronic payments are applied once the payment files are received from the Financial Institutions, which are usually run overnight. Some Financial Institutions have longer clearance processes than others.
7	How many days following payment allocation will the refund cheque distribution be run?	The disbursement will be run one week after payment due date. Please note that refund cheques will not be automatic under CARM. As part of the business profile setup, clients can opt into disbursements or choose to leave credits on the account.

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Q&As from recent discussions

QUESTION		ANSWER
8	Between Release 1 and Release 2, will there be any restrictions with regard to payments by cheque, money order (made out to the Receiver General of Canada) or cash?	The guidelines currently in place today for cheques, money order and cash will remain at Release 1. With Release 1, payments via the CARM Client Portal are in addition to today's options. For additional guidance, please see Commercial Payment and Accounts: https://www.cbsa-asfc.gc.ca/prog/arl-glcc/menu-eng.html and: https://www.cbsa-asfc.gc.ca/prog/arl-glcc/pay-paie-eng.html. Note that as of Release 2, cash, cheque and bank remittance will no longer be accepted for commercial payments.
9	Can an importer make a correction to a CAD that was submitted by a broker on their behalf? If so, how will the broker know if this has happened?	Yes, an Importer can make a correction to a CAD that was submitted by a broker on their behalf. Viewing this change by the broker will depend on their visibility rules on the importer account. Importer would need to grant view access to their transactions. In addition, the importer should inform their broker of the correction they made, and the broker can either request the corrected version via API or from the portal.

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Electronic Commercial Client Requirement Document (ECCRD) / Application Program Interface (API) Update

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Chapter 24: Accounts Receivable Ledger (ARL) – Financial Statements

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Updates to feedback on Chapter 24

Updates on content and responses to key trade chain partner feedback

Recipients

- CARM issued financial statements will be issued to any TCP who has a BN9 and is EDI certified, i.e. has an EDI profile set up
- Customs Brokers and Trade Consultants will continue to receive the “Broker” statements (i.e. Customs Broker Summary Statement and Daily Notice) if the account is EDI certified and has a valid BN9

Transaction Visibility

- Importer (account holders) financial statements will be issued to an EDI certified importer and will print all transactions posted on the account in the given period (day or billing period)
- Broker financial statements will be issued to an EDI certified customs broker or trade consultant and will only print those transactions which have been submitted by the broker’s (or trade consultant)
- For enhanced access to the importer’s account (e.g. view additional transactions), the broker is recommended to request for appropriate delegated access to the importer’s CARM portal account

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Updates to feedback on Chapter 24

Updates on content and responses to key trade chain partner feedback

Broker vs Account Holder Statements

- CARM will differentiate between the account statements between the broker and account holder
- Broker statements will only include transactions submitted by the broker on behalf of other importers
- Account holder statements are issued to any EDI certified account holder and will include transactions on the account (example broker license fees would be included on the account holder statement issued to a broker)

Transaction Types (key updates)

- Late accounting penalties will be issued under document type “AI” (instead of “B3”)
- CARM is introducing a new document type “C1” to identify corrections related accounting postings
- Document types will differentiate payments made via PAD or other methods. Payments made by a broker electronically will be included in both the importer’s and the broker’s statement.

LAP traceability and visibility

- LAP documents are generated when a CAD is not received in the requisite time frame from the release, the LAP document is systematically triggered and posted to the importers account without association to a broker
- LAP documents can be traced (or linked) to the release document by the CARM generated “form bundle number” which in turn can be linked to a release or CAD

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Chapter 26: CBSA Assessment and Revenue Management (CARM)

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ECCRD Addendum Content Sources

A second version of Chapter 26 will supersede the Final Draft ECCRD published in July

Additional Addendum Content

Document updates to provide additional details related to policy changes and CARM features.

Feedback-Related Content

Document updates as a result of feedback received during the consultation period.

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Additional Addendum Content

Including solution updates, client support details, and policy amendments

Placeholder Updates	• Sections regarding the Web Service connection and pre-CARM declaration query will be updated
	  ○ The Web Service connection is an alternative that provides clients with a direct connection to CBSA. This communication method allows clients to submit a CAD through Application Programming Interfaces (APIs).
	  ○ Query functionality for pre-CARM B3 Declaration data will be available through the Declaration API.

Data Elements & Code Lists	• Updates to code lists, descriptions and narratives to clarify usage • New codes to align with program requirements will be added, including appendices for sub-location codes and previous document type codes • Data elements will be reordered to further align the CAD Data Model with the WCO Data Model
CARM Engagement Mailbox	• During the CARM development phases, the CARM Engagement Mailbox will be the point of contact for additional information or technical assistance on CARM: CBSA.CARM_Engagement-Engagement_de_la_GCRA.ASFC@cbsa-asfc.gc.ca.

CUSMA Regulatory Changes	• All relevant ECCRD elements will be updated to reflects changes related to CUSMA.
	  ○ The low value shipment thresholds will be updated from $2,500 to the $3,300 threshold in effect under CUSMA.
	  ○ Updated legislative and change reason codes.

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Feedback-Related Addendum Content

Additional content developed for TCP-identified sections to review

CAD File Size Limits

- The CBSA has increased Message Queue limits for CAD transmissions to support message responses up to 50MB. This will allow TCPs to transmit up to 10,000 line items per CAD document transmission – consistent with existing transaction size limitations within the existing B3.

Message Implementation Guide (MIG)

- Updated usage notes, status and field formats to clarify CBSA and Statistics Canada program relevant requirements.
- Added status Fields similar to the SWI ECCRD Chapter to denote M/C/O classifications
  - M = Mandatory | C = Conditional | O = Optional
- Supporting files (e.g. XSD, XML) will also be updated accordingly to align with the CAD structure

Narrative Sections

- Noted the CAD will serve as both the release and accounting document for CTC type AB submissions.
- Added narrative overview of SIMA/Surtax/Safeguard CAD functionalities, such as declaring inputs and returning rate details and applicable flags.
- Expanded “Pre-CARM Document Types” table to include pre-CARM type codes and CAD-eligible type codes

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CARM API

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When - API Document Schedule

Provide API "**Getting Started Guide**" technical session

Publish the **remaining** API documentations

Publish **Tariff & CAD** API documentations

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Playbook

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General Playbook Updates

Updates made for context and clarification

Summary

Feedback received on the Playbook was mainly questions. In general, updates were primarily minor additions and changes to wording to clarify concepts based on the questions received.

Key Changes

- Consolidated acronyms and made minor wording changes for clarity.
- Clarified when Late Accounting Penalties are applied across various streams/programs.
- Clarified the three (3) legislative change maximum.
- Clarified outbound messaging, including the delivery of, and access to, notifications and Statements of Adjustment.
- Clarified rejection processing, including what is stored and not stored by the CARM System.
- Clarified that CBSA-initiated changes will create a new CAD version and that TCPs will be notified of the changes via a Statement of Adjustment.

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Release 1 ARL Balance

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Overview of ARL Account Clean Up

Situation

- The Accounts Receivable Ledger (ARL) has a number of accounts with unreconciled transactions. This is due mainly to the current process where a single payment is often received on behalf of multiple importers.
- While account clean-up efforts are underway, some accounts will remain unreconciled as of Release 1 go-live.

Mitigation

- To avoid displaying an incorrect balance for an unreconciled account on the CARM Client Portal (CCP) at Release 1 go-live, CBSA will be making ‘account clearing’ entries on all unreconciled accounts prior to CARM R1.
- These clearing entries will offset unreconciled transactions so the account balance on the CCP will only show the most recent Statement of Account (SOA) amount due as of Release 1 go-live.

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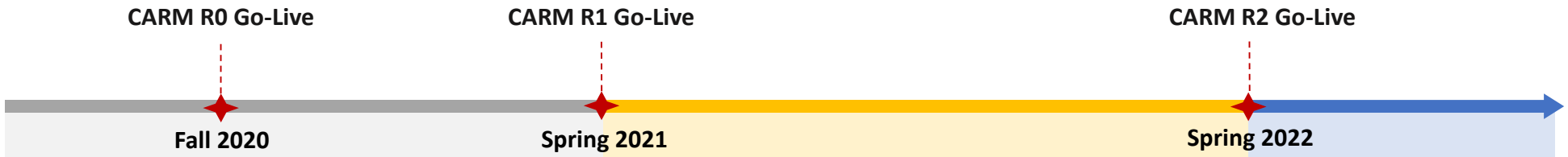
High-Level Timeline

The timeline below highlights the key activities CBSA will be executing to compete ARL account clean up, as well as what TCPs with unreconciled accounts will see as clean up efforts are underway.



Today

- Conduct preparatory engagement to socialize the CBSA's approach for ARL clean up with the trade community.

Prior to R1

- Communicate to TCPs with unreconciled accounts that they will see clearing transaction(s)* on their DN/SOA prior to CARM R1 go-live.
- Post an account clearing transaction* on each unreconciled account.

Between R1 and R2

- At R1 go-live the CCP will show the most recent SOA amount due for all TCPs (both those with reconciled or unreconciled accounts).
- For TCPs with an unreconciled account, the CBSA will inform the account holder that clean up efforts are underway and prior transactions may appear on their next DN and SOA as clean up is underway.
- Upon completing clean up of an account, the reconciled balance would be presented to the TCP on the CCP as well as any open transactions would be posted on the next DN and SOA.**

Post-R2

- As of CARM R2, all clean up efforts are planned to be complete.
- The introduction of the new CARM clearing model and account based payment will alleviate the current clearing challenges on a go-forward basis.

*Note: one clearing transaction will appear per broker.
**Note: open transactions will not appear on the CCP transaction history as the respective document dates would be prior to CARM R1.

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Q&A

1. **Q:** How will I know if I have unreconciled transactions on my account?

   A: If your account has unreconciled transactions, account clearing transaction(s)* will appear on your SOA and DN prior to R1 go-live. The CBSA will then be in touch with you between CARM R1 and R2 as clean up efforts are underway on your account.

2. **Q:** Will I be charged interest if the clean up efforts result in an amount owing?

   A: Often, the cleaning exercise is aligning payments received to the appropriate debts. No interest is charged where payments were received but misapplied.

*Note: one clearing transaction will appear per broker.

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Next Steps

- ARL clean up impacts will be included in the R1 communication products that will be sent to the trade community.
  - As members of the Trade Chain Partner Working Group, we will be seeking your support to disseminate the communication product as they are distributed.

- Review your upcoming SOAs and DNs. If you see clearing transaction(s)*, you have unreconciled transactions on your account and the CBSA will be in contact with you between CARM R1 and R2.
  - For importers who do not receive DNs and SOAs, please work with your customs broker(s) to review any clearing transactions that might appear on their SOA and DN on your behalf.
  - Unreconciled transactions will not appear on the portal as the transactions are from before CARM R1, however, the account balance will be reflective of your net amount owing including any unreconciled transactions.

*Note: one clearing transaction will appear per broker.

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The ASEC Number and its Role in CARM

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Purpose and Context

To better understand where and why the ASEC number is used today by both the CBSA and the TCP community.
To discuss a way forward with respect to the ASEC number that minimizes the impact on the TCP community.

What is the ASEC?

- Today, the ASEC is a 5 digit number assigned to Importers and Customs Brokers who post Release Prior to Payment (RPP) financial security with the CBSA. It is used to facilitate Release on Minimum Documentation (RMD), and typically identifies the Customs Broker clearing the shipment.

What is the Transaction Control Number?

- The transaction control number is a 14 digit number that identifies shipments at various times throughout the customs process.
- Today if goods are RMD, the ASEC makes up the first 5 digits of the transaction control number.

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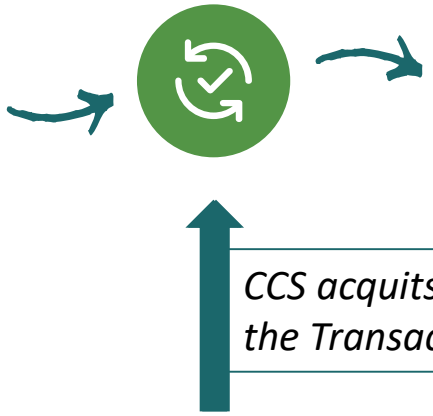
How is the ASEC used today?

The ASEC forms the first five digits of the Transaction Control Number, and is used to identify the bond holder securing the shipment when released on minimum documentation.

Inbound

- The ASEC forms the first five digits of the Transaction Control Number.
- The Transaction Control Number is generated by the TCP submitting the RMD package.
- The ASEC identifies the bond holder securing the shipment when released on minimum documentation.



Outbound

- Release (RNS) EDI messages are generated based on the ASEC used in the Transaction Control Number.

- The Transaction Control Number used on the release is used to submit the confirming entry (B3 Type AB).
- The ASEC also forms the first five digits of the Transaction Control Number when submitting other B3 types (e.g. C, V, F) on account.

- Transactions made using the Importer's ASEC are visible on the Importer's statements.
- Transactions made using the Customs Broker's ASEC are visible on the Customs Broker's statements.

Are there any additional uses for the ASEC today?

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How might we simplify use of the ASEC going forward?

The goal is to avoid requiring all Importers to have an ASEC while continuing to support the outbound release (RNS) EDI messages.

Elements for discussion:

- As of CARM Release 2, the ASEC is no longer linked to RPP privileges and would exclusively note the Customs Broker or Importer clearing the shipment / obtaining Release on Minimum Documentation.
- A RPP indicator will identify if an Importer has RPP privileges and facilitate the release in ACROSS.
- All Customs Brokers would continue to have an ASEC, which they would incorporate into their transaction control numbers when transacting on an Importer's behalf.
- In addition, only Importers with an EDI connection that do not use a Customs Broker would need an ASEC to transmit release information directly with CBSA.

The next slide walks through the proposed future state of the ASEC and Transaction Control Number from a release and accounting perspective. **As we review we are looking to identify and understand potential implications from an operational and TCP system standpoint**.

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Using the ASEC post CARM Release 2

The ASEC will continue to be used in the Transaction Control Number.

Type	
AB	• The Importer or Customs Broker must provide their own Transaction Control Number. The Transaction Number can either start with the Importer's ASEC or the Customs Broker's ASEC; however, using the Importer's ASEC will mean the Customs Broker cannot see open releases unless the Importer allows them full/complete access to their account. • Release (RNS) EDI messages are generated based on the submitting party's ASEC. • Account security is tied to the Importer BN15 and a 'RPP Indicator' is used to identify participation in the program for release purposes. • The Transaction Control Number used on the release is also used to submit accounting (CAD); however, the Transaction Control Number is a field on the CAD and is not used as the unique transaction number in SAP.
V	• The Importer or Customs Broker can either provide their own Transaction Control Number or have the system generate one for them. • If using their own Transaction Control Number, it can either start with the Importer's ASEC or the Customs Broker's ASEC. • If using a system-generated Transaction Number, the number starts with five zeros and not the submitting party's ASEC.
C	• The system generates the Transaction Number. The Transaction Number starts with five zeros regardless of whether the TCP has an ASEC/RPP or not.
F & TT	• The Importer or Customs Broker must provide their own Transaction Control Number. The Transaction Number can either start with the Importer's ASEC or the Customs Broker's ASEC.

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Legacy constraints and their impact on the design

The CARM Project is exploring solutions for linking Importers to their Customs Broker(s) to enable Delegation of Authority (DOA) for legacy documents.

Release Documents

- CARM is bringing over a subset of the release information and showing some of the fields on the CARM Client Portal so that the Importer/Customs Broker know they have open releases pending the submission of accounting.
- Since there is no explicit identifier for the Customs Broker on the release document, there is nothing to tie the Customs Broker to the release, and this impacts our ability to restrict visibility/access to the Customs Broker who obtained release.
- We are exploring a solution whereby the Customs Broker could be derived from the ASEC used in the Transaction Control Number. Using the ASEC, we can identify the Customs Broker that submitted the release and link them to the release to expose it (should the Importer delegate accordingly).
- However, this only works if the Customs Broker ASEC is used in the Transaction Control Number. If not used, the only alternative we have identified is for the Importer to grant their Customs Broker full/complete access to their account.

Pre-CARM B3s

- Similar to the release, there is no explicit identifier for the Customs Broker on the B3.
- We are exploring the same solution to link the transaction to the appropriate Customs Broker.

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CARM Information Package

CARM distributed our first CARM Information Package.

With CARM expected to deliver significant change to the trade community, we are seeking your support to promote awareness of CARM. To assist you in this role, this package will help you inform your clients/members on the upcoming CARM changes.

This package includes:

- An overview of information products that are available;
- Suggested ways to use this information;
- Upcoming communication and engagement activities; and,
- Where to get more information.

This package is publically available for download on the open CARM GCcollab group.

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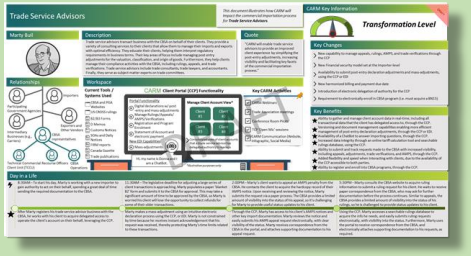
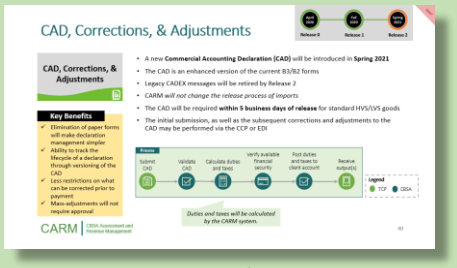
Information Package Contents

The following represents the contents of the upcoming CARM Information Package.



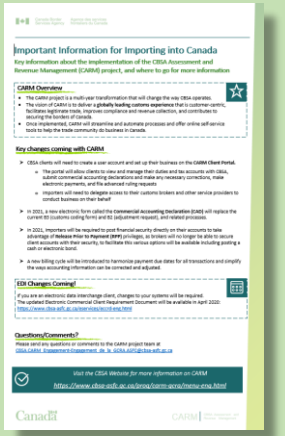
CARM Personas



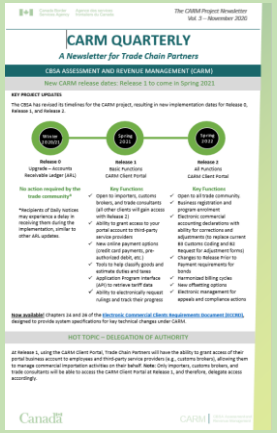
CARM Solution Spotlights

CARM Contact Card

CARM Infographic



CARM Official Communication and Fact Sheet



CARM Quarterly Newsletter

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Live Webinars and Recordings

To further support our CARM Ambassadors and TCP Working Group members, CARM recently held live webinars to review key Release 1 and Release 2 solution details.

This presentation will be condensed into short recordings, which will be distributed this month. We encourage you to share these recordings with your clients and members.

RECORDING TOPICS:

- CARM Client Portal Overview and Onboarding
- Delegation of Authority
- Accounting Overview and Payment Processing
- Rulings
- Business Registration & Program Enrolment
- Financial Security
- Commercial Accounting Declaration
- Billing Cycles
- Compliance
- Reporting & Data Extract Capabilities

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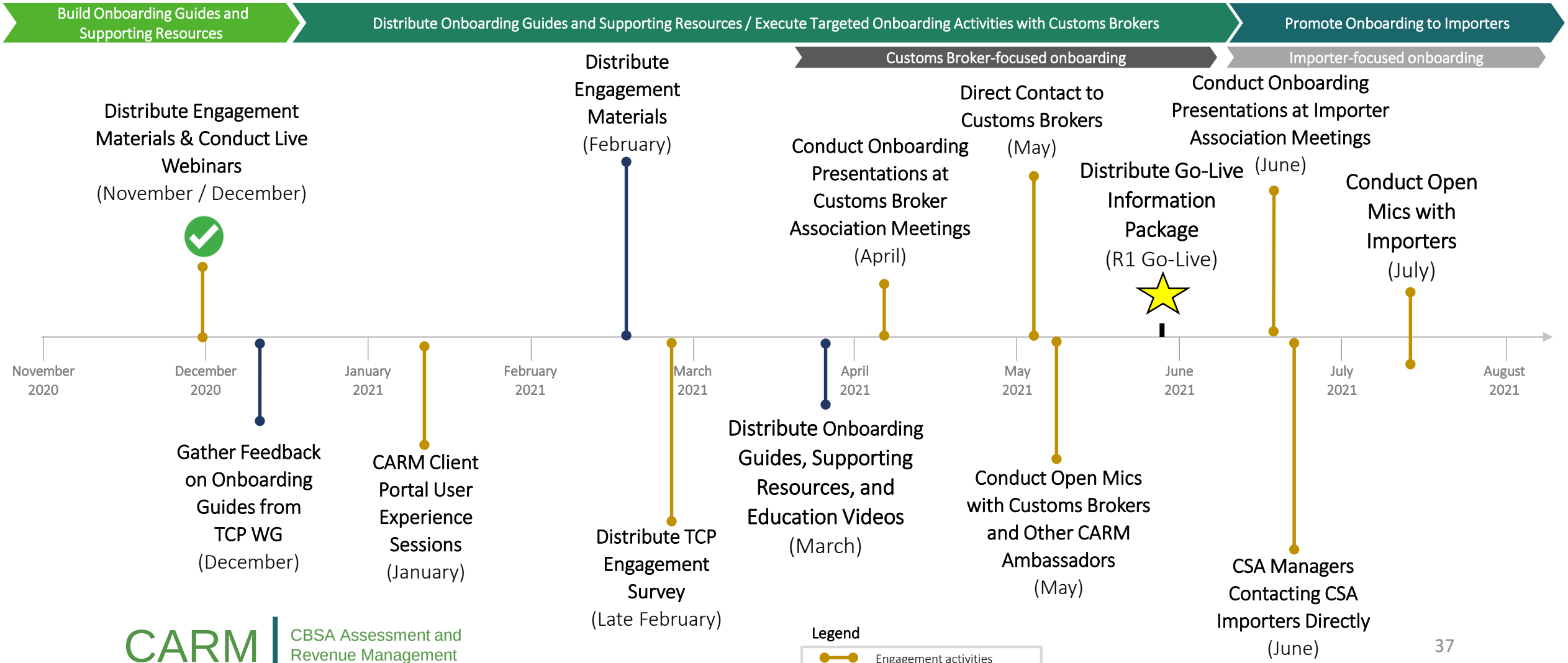
TCP Release 1 Onboarding Engagement Roadmap

The following illustrates the key engagement activities that the CARM Stakeholder Engagement team has planned to help prepare TCPs for Release 1 go-live.



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Sneak peak of new CARM Video

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Roundtable and Conclusion

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Updated TCP WG Activity Calendar

The following outlines the proposed schedule for the next few months of TCP WG activities.

Month	Activity	Date	Location
December	CARM Webinars	November 23 - December 1	Webinar
	Recordings of CARM Key Changes	December	GC Collab
January	CARM User Experience Kick-off & Sessions	January 2021	Webinar
	CARM Client Portal Onboarding Guide	Late January 2021	GC Collab
	Next CARM TCP WG	January 27, 2021	Webinar
To be determined	RPP Surety-TCP WG meeting	early 2021	Webinar

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