

# 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 re-mute your phone 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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# Trade Chain Partner Working Group (TCP WG) Consultation Session

Draft for Discussion

April 10, 2019

Canada

CARM | CBSA Assessment and  
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# Agenda

| Topic                                   | Speaker   | Timing            |
|---|---|-------------------|
| Technical Rules of Engagement           | Kerri-Anne Whittaker                                  | 10:00AM – 12:00PM |
| Opening Remarks                         | Lisa Anawati  |                   |
| Recap of the March Consultation Session | Lisa Anawati  |                   |
| Accounting 2021                         | Jonathan Hopkins / Carola Daffner /<br>Kristin Billey |                   |
| <b>Lunch</b>                            |   | 12:00PM – 1:00PM  |
| CSA                                     | Jonathan Hopkins                                      | 1:00PM – 2:00PM   |
| ChatBot Demonstration                   | Morgan Nordstrom                                      | 2:00PM – 3:00PM   |
| Roundtable and Conclusion               | Lisa Anawati  | 3:00PM – 4:00PM   |

# Recap of the March Consultation Session

- Financial Security Updates
  - Since last TCP WG, meetings have been held with CSA Representatives (March 28) and Surety Companies (April 1) to discuss implications/concerns with proposal
- Payment Allocation Walkthrough
- Deployment Strategy Update
- Business Walkthrough Scenarios Request
  - CARM team has received input and are currently prioritizing scenarios
  - Walkthroughs of some of these scenarios will be provided at the May consultation session, while others will be provided at future sessions

# Examples of benefits for trade chain partners

## Self-Service

Ability to complete registration, program enrolment, payment, adjustments, rulings and appeal requests online



## Visibility

Ability to view account information and transactions, receive automated billing and payment notifications, and monitor financial security



## Efficiency

Helps to eliminate burdensome manual, paper-based processes. Improved payment efficiencies with harmonized billing for Release Prior to Payment participants



## Support

Access to information and support to assist with accurately completing import accounting declarations





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# Accounting 2021

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# What we're going to cover

Accounting for a high-value commercial importation in 2021, including:

- The Commercial Accounting Declaration
- Current proposed data elements
- Corrections and adjustments
- Mass adjustments

# Commercial Accounting Declaration

-  A new commercial accounting declaration submitted via EDI using a **new inbound/outbound map** or CBSA Commercial Client Portal. Legacy CADEX messages will be retired.
  -  How can we support adoption?
  -  How can we facilitate communication?
  -  XML is the proposed format and will follow the WCO Data Model, what are the implications of this?
-  A certain period of time to submit the commercial accounting declaration after the release decision is rendered, which **will likely be less than 24-hours**; however, a longer correction period will be provided.
  -  What considerations do we need to be aware of when moving the accounting declaration earlier?
-  The latest **accepted** version of the commercial accounting declaration on file at payment due date will be **deemed final accounting**.
  -  Are there implications of this proposal?

# Inbound message: current proposed elements

|                          | Existing Data Elements   |  | New Data Elements   |   | Removed Data Elements  |
|--------------------------|--|--|---|---|--|
| Transaction Level        | <ul style="list-style-type: none"> <li>Transaction Number</li> <li>Importer of Record Business Number (name and address will be derived)</li> </ul>  | <ul style="list-style-type: none"> <li>Customs Broker Business Number (name and address will be derived)</li> <li>Commercial Accounting Declaration Type</li> </ul>  |   |   | <ul style="list-style-type: none"> <li>Payment Code</li> <li>GST Registration Number</li> <li>Release Date</li> <li>Office of Release</li> <li>Total Value for Duty (VFD)</li> </ul>                     |
| Invoice Level            | <ul style="list-style-type: none"> <li>Vendor Name and Address</li> <li>Date of Direct Shipment/Currency Code</li> <li>Country of Origin</li> <li>Place of Export</li> <li>Tariff Treatment</li> </ul> | <ul style="list-style-type: none"> <li>Time Limit</li> <li>US Port of Exit*</li> <li>Mode of Transport*</li> <li>Port of Unlading*</li> <li>Freight*</li> <li>Carrier Code at Importation*</li> </ul>      | <ul style="list-style-type: none"> <li>Invoice Number</li> </ul>  |   |  |
| Invoice Line Level       | <ul style="list-style-type: none"> <li>Invoice Line Number</li> <li>Goods Description (narrative)</li> <li>Classification Number/Classification Description</li> </ul>                                 | <ul style="list-style-type: none"> <li>Tariff Code</li> <li>Quantity/UOM</li> <li>Value for Duty (VFD) Code</li> <li>Deposit</li> <li>Value for Currency Conversion</li> <li>GST Exemption Code</li> </ul> | <ul style="list-style-type: none"> <li>Special Authority (specific fields for Orders in Council codes, Duty Deferral, GST relief special authority)</li> <li>SIMA Assessment (specific fields to calculate surtax and/or provisional duty, anti-dumping duty or countervailing duty)</li> </ul> | <ul style="list-style-type: none"> <li>Non-Commercial Goods Indicator</li> <li>Importer Name (owner of goods) for Non-Commercial Goods</li> <li>Excise Tax Code</li> <li>Alcohol %</li> </ul> | <ul style="list-style-type: none"> <li>Line level Value for Duty</li> <li>Customs Duties</li> <li>Excise Tax/Excise Tax Rate</li> <li>Value for Tax</li> <li>GST Rate</li> <li>Customs Duties</li> </ul> |
| Corrections/ Adjustments |  |  | <ul style="list-style-type: none"> <li>Correction Reason</li> <li>Adjustment Type</li> <li>Adjustment Reason</li> </ul>   | <ul style="list-style-type: none"> <li>Adjustment Authority</li> <li>Mass Adjustment Key</li> </ul>   |  |

\*Statistics Canada requirements for shipments greater than \$2500CAD exported from the US.

# Outbound message: current proposed elements

|                          | Existing Data Elements   |  | New Data Elements   |
|--------------------------|--|--|---|
| Transaction Level        | <ul style="list-style-type: none"> <li>Transaction Number</li> <li>Importer Business Number (importer of record) and Name</li> </ul>   | <ul style="list-style-type: none"> <li>Customs Broker Business Number and Name</li> <li>Commercial Accounting Declaration Type</li> <li>Total Duties and Taxes Owning</li> </ul>   |   |
| Invoice Level            | <ul style="list-style-type: none"> <li>Invoice Number</li> <li>Vendor Name and Address</li> <li>Date of Direct Shipment/Currency Code</li> <li>Country of Origin</li> </ul>  | <ul style="list-style-type: none"> <li>Place Of Export</li> <li>Tariff Treatment</li> <li>Time Limit</li> </ul>  | <ul style="list-style-type: none"> <li>Invoice Number</li> </ul>  |
| Invoice Line Level       | <ul style="list-style-type: none"> <li>Invoice Line Number</li> <li>Goods Description (narrative)</li> <li>Special Authority (specific fields for Orders in Council codes, Duty Deferral, GST relief special authority)</li> <li>Classification Number/Classification Description</li> <li>Tariff Code</li> <li>SIMA Assessment (specific fields to calculate surtax and/or provisional duty, anti-dumping duty or countervailing duty)</li> </ul> | <ul style="list-style-type: none"> <li>Quantity/UOM</li> <li>Value For Duty (VFD) Code</li> <li>Deposit</li> <li>Value for Currency Conversion</li> <li>Non-commercial Goods Indicator</li> <li>Importer Name (Owner of Goods) for Non-commercial Goods</li> <li>GST Exemption Code</li> <li>Excise Tax Code</li> <li>Alcohol %</li> </ul> | <ul style="list-style-type: none"> <li>Calculated Values: Customs Duties, GST, Excise Tax, Excise Duty, Surtax, Anti-Dumping Duty, Countervailing Duty, Total Duties and Taxes</li> </ul>   |
| Corrections/ Adjustments |  |  | <ul style="list-style-type: none"> <li>Correction Reason</li> <li>Adjustment Type</li> <li>Adjustment Reason</li> <li>Adjustment Authority</li> <li>Adjustment Decision</li> <li>Adjustment Decision Reason</li> <li>Adjustment Decision Authority</li> </ul> |

\*Statistics Canada requirements for shipments greater than \$2500CAD exported from the US.

# Corrections and Adjustments

-  Corrections and adjustments submitted using the commercial accounting declaration via EDI using the **same** map as for the declaration or CBSA Commercial Client Portal, which **creates a new version**.
-  There will be **fewer restrictions** on what can be corrected (prior to final accounting), compared with what can be adjusted (after final accounting).
  -  What data elements change most often, and when do most changes occur?
  -  What other issues /constraints should we address in the new design (e.g. Section 59)?
-  There will be a **locking mechanism** that prevents further changes to a transaction, invoice, or invoice line level while they are under review by the CBSA.
  -  Are there implications of locking at the transaction level versus the invoice line level?
-  Supporting documentation will only be required at the request of CBSA. Any attachments **must be submitted via the CBSA Commercial Client Portal**.
  -  Are there implications of this proposal?

# Mass Adjustments

-  Mass adjustments submitted using the commercial accounting declaration via EDI using the **same** map as for the declaration or CBSA Commercial Client Portal, which **creates new versions**.
  -  Are there specific cases where a mass adjustment will be problematic?
-  Mass adjustments can be submitted **without prior CBSA approval**; however, there will be rules on when mass adjustments can be used (e.g. the authority and adjustment reason must apply to all).
  -  Are there issues with the current B2 Blanket rules?
-  When making mass adjustments via EDI, CBSA will require a method to identify the related transactions.
  -  What considerations do we need to be aware of when designing this identifier?

# Additional questions?





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# Customs Self Assessment (CSA)

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# Customs Self Assessment (CSA)

Border Processing

Trade data reporting/accounting

Revenue Reporting

Payment

| Current State  |   | Future State  |
|--|---|---|
| CSA Eligible Goods (CSA importers and carriers)  | Non-CSA Eligible Goods (CSA importers only)   | CSA Eligible and Non-CSA Eligible Goods   |
| <p><b>Submit ACI/Release</b></p> <ul style="list-style-type: none"> <li>No ACI for carrier</li> <li>No release document for importer</li> <li>Expedited clearance (3 bar codes)</li> </ul>   | <p><b>Submit ACI/Release</b></p> <ul style="list-style-type: none"> <li>ACI required for carrier</li> <li>Release document required for importer</li> </ul> | <p><b>Submit ACI/Release</b></p> <p><i>*Same as current state</i></p>   |
| <p><b>Submit import declaration</b></p> <ul style="list-style-type: none"> <li>Submit B3 via EDI</li> <li>Two accounting options: (HVS)                             <ul style="list-style-type: none"> <li>Option 1: by 18<sup>th</sup> of month for goods released in previous month</li> <li>Option 2: by last BD of month 2 for goods released between 19<sup>th</sup> of month 1 and 18<sup>th</sup> of month 2</li> </ul> </li> <li>X type electronic B3s for adjustments, may be consolidated</li> </ul> |   | <p><b>Submit import declaration</b></p> <ul style="list-style-type: none"> <li>Submit new customs accounting declaration via EDI or portal, posted to the client account</li> <li>One accounting option: (HVS)                             <ul style="list-style-type: none"> <li>Goods received/released between the 18<sup>th</sup> Month 1 and 17<sup>th</sup> Month 2 must be accounted for by 17<sup>th</sup> Month 2</li> <li>Corrections accepted up to the payment due date before accounting deemed final</li> </ul> </li> <li>Electronic adjustments via EDI or portal with mass edit capability</li> </ul> |
| <p><b>Generate and Submit RSF</b></p> <ul style="list-style-type: none"> <li>Submit RSF via EDI                             <ul style="list-style-type: none"> <li>Includes all debits/credits for the period</li> </ul> </li> <li>No daily notice or statement of account</li> </ul>  |   | <p><b>Review/action client account</b></p> <ul style="list-style-type: none"> <li>CARM posts all debits and credits to the client account which replaces RSF</li> <li>Statement of account produced electronically via EDI or Portal</li> </ul>   |
| <p><b>Pay RSF</b></p> <ul style="list-style-type: none"> <li>Payment is required for all goods released from 19<sup>th</sup> of Month 1 to 18<sup>th</sup> of Month 2 on the last business day of the month</li> <li>Payment is rendered via EDI or through the bank remittance process</li> </ul>   |   | <p><b>Pay client account balance</b></p> <ul style="list-style-type: none"> <li>Payment is required for all goods released from 18<sup>th</sup> of Month 1 to 17<sup>th</sup> of Month 2</li> <li>Payment is due 10 week days from the 18<sup>th</sup> of Month 2</li> <li>Payment is made via EDI or other electronic payment option(s)</li> </ul>   |

# Next Steps

- Establish a CSA importer sub-working group to review the CSA/CARM proposal
- Engage the greater CSA community on proposed changes under CARM



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# ChatBot Demonstration

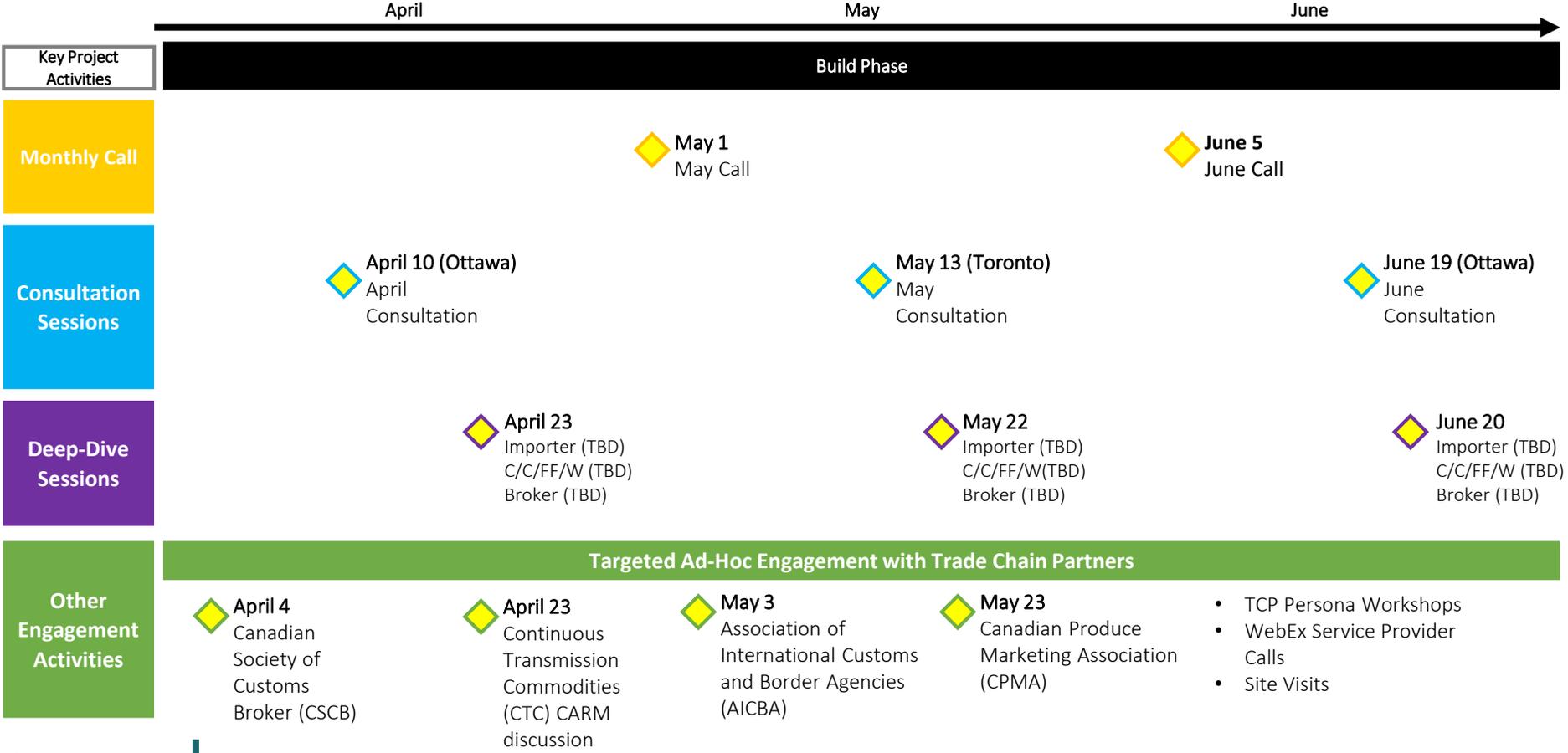
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# 3-Month Outlook of TCP WG Activities

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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# Roundtable and Conclusion

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# Thank You