

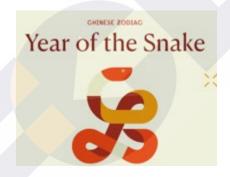
Tariffs and the Economy 2025

January 21st | Anders Fisker, our President & CEO, participated in a virtual roundtable organized by the European Union Chamber of Commerce in Canada (EUCCAN) and the France-Canada Chamber of Commerce. Amongst a panel of industry leaders, they shared their knowledge for **Strengthening Canada-EU Trade Relations: Enhancing Bilateral Trade Ties with France to Mitigate U.S.Tariff Risks**. <u>See the presentation here</u>.

Chinese Lunar New Year

As we begin a new year, we would like to thank all our clients for their continued support, and we look forward to a prosperous 2025.

Please be reminded that the Chinese Lunar New Year 2025 falls on Wednesday, January 29th, 2025. Celebrations culminate with the Lantern Festival on February 12th and will last up to 16 days, but only the first seven days are considered a public holiday (January 29th to February 4th, 2025).



IN REVIEW | JANUARY 2025

MARINE

January 2 | "Carriers Plan for New US East Coast Port Strike as Contract Deadline Looms"

Negotiations between the dock workers' International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX) now have a very short window to produce a new master contract before a new strike, forcing box lines to mitigate the impact.

The current master contract between workers and employers on US east and Gulf coast ports will expire on 15 January and, if no new agreement is reached by then, a coast-wide strike on January 16th is expected. **Source: The Loadstar**

Update January 9: The International Longshoremen's Association and the United States Maritime Alliance agreed on terms for a new six-year contract Wednesday evening — a week before their master contract was set to expire on Jan. 15. Although the deal still needs to be ratified by union and

USMX members, an agreement removes the specter of another strike across East and Gulf Coast ports. *Source: Supply Chain Dive*

January 6 | "Fire Damages Vancouver Port Terminal"

No injuries were reported after a machinery fire damaged a marine coal terminal at the Port of Vancouver on Friday.

Video posted on social media showed thick black smoke billowing from the blaze at Westshore Terminals. The fire was extinguished by local first responders, the Vancouver Fraser Port Authority said in a statement. Operations at the terminal and at the neighbouring facility operated by GCT Deltaport

There was no immediate word on when operations would resume. Read more in an <u>article from</u> <u>American Shipper</u>. Source: CIFFA

January 9 | "Ripples from 2025 CNY 'May Still Be Rocking the Boats in Summer'"

Ripples from the Chinese New Year (CNY) holiday could be felt into the second half of the year, as the looming alliance reshuffle would exacerbate network disruption and lead to surcharges and blank sailings.

This year's CNY begins January 29th and runs for two weeks, with most of the country closed for business, and will impact capacity to and from the Far East.

The usual consequences include long transit times, flight cancellations and void sailing schedules, all of which has a significant impact on the global freight market for weeks after CNY.

This year's CNY would be "even more challenging," due to the Red Sea crisis and changes to the carrier alliances on February 1st. Source: The Loadstar

January 14 | "Gaza Truce Talks Spur Hope for Resumption of Red Sea Shipping"

The head of shipping's top lobby group has welcomed the "positive developments" witnessed in Qatar in recent days where ceasefire talks are underway between Israel and Hamas.

Details are emerging of a potential ceasefire between Israel and Hamas after more than 400 days of war, a development that could usher in the end of the Red Sea shipping crisis, which has seen a huge swathe of the global merchant fleet avoid transits through the Middle East, propping up rates for the past year. **Source: Splash 247.com**

Update January 15: Israel and Hamas have agreed on a Gaza ceasefire and hostage release deal following 15 months of war with the shipping industry now looking towards the Houthis of Yemen to see if they will stop targeting merchant ships and bring an end to the Red Sea shipping crisis.

The six-week phase one of the ceasefire agreement between Israel and Hamas comes into effect on Sunday. Negotiators are confident phases two and three are expected to be agreed upon in the coming days. *Source: Splash 247.com*

January 15 | "Vancouver Fraser Port Authority Notification of Fee Amendments"

The Vancouver Fraser Port Authority (VFPA) Board of Directors has approved a <u>proposed fee</u> <u>amendment</u> scheduled to take effect on May 1st.

A wharfage fee for empty containers will be introduced, calculated as a percentage of the corresponding laden rate.

The port authority draft fee document for 2025 is posted at <u>www.portvancouver.com/fees</u> and may be obtained in hard copy upon request by phoning 604-665-9000.

Anyone interested in making a written representation to the VFPA on the subject of the proposed fee amendments may do so, on or prior to March 15th, by writing to Jane Banham at:

Director, Trade Development, Vancouver Fraser Port Authority, 100 The Pointe, 999 Canada Place, Vancouver, BC V6C 3T4.

Email: commercial_enquiries@portvancouver.com. Source: CIFFA

January 16 | "Vancouver Races to Clear Logjam as Trump Tariff Threat Hangs Over Ports"

The Canadian port of Vancouver may find itself in a race against the clock. According to operators, it is on course to clear congestion by next month, but this could change if the incoming US administration were to move swiftly on its tariff threats.

Warnings of ongoing, and possibly worsening, congestion, which began last month, with rail containers piling up at terminals. The port's dashboard on 15 January showed average dwell times of 3-5 days at the Vanterm facility, 5-7 days at Deltaport and Fraser Surrey Docks, and more than seven days at Centerm. At the same time, flat rail cars have been in short supply.

The congestion has been the result of a convergence of factors, beginning with a strike in November, followed by a surge in volume and seasonally shorter trains in response to winter conditions.

The congestion has not been seriously disruptive so far, expressing hope that it will be cleared in the coming weeks. However, this could change drastically if President Trump moves quickly on his threat to impose tariffs on imports, notably from China, after his inauguration this weekend. Source: The Loadstar

January 17 | "Port of Montreal Activities Back to Normal"

Two months after operations fully resumed at the Port of Montreal, as directed by the Canada Industrial Relations Board, the Montreal Port Authority (MPA) has announced that all port activities are now completely back to normal. Both the impact of the labour dispute and the subsequent resumption of activities required concerted efforts on the part of all port partners to get things back to normal as quickly as possible, even over the holiday season. Read more in a <u>Port of Montreal press release</u>. *Source: CIFFA*

January 27 | "France Faces More Port Strikes to Protest Lack of Action on Pension Reforms"

The long-running dispute between the French government and the powerful trade unions over proposed pension reforms is again prompting threats of port strikes across the country. The government has been pushing for pension reforms and changes to France's work rules since 2023.

The CGT Federation of Ports and Docks filed notice last week that it plans to renew its strikes and work slowdowns to demonstrate its frustration at the lack of movement by the government. According to the union, talks took place between January and July 2023 and again in 2024. The union staged a 24-hour strike in June 2024, blocking the container, bulk, and ro-ro terminals in Le Havre while an estimated 600 dockworkers blocked the main entrance to Marseille-Fos in the south.

The union suspended the protests last summer after the French government collapsed. President Emmanuel Macron dissolved parliament and called special elections, which were inconclusive. Macron has vowed to continue through his current term, which is due to end in 2027 despite the collapse of two governments and continued instability. According to the union, there had been talks in December and an indication by the government of a willingness to resolve the dispute. However, the union contends the offer was withdrawn in January. **Source: CIFFA**

January 28 | "More Industrial Unrest in Bangladesh"

Chaos has gripped Bangladesh's supply chains, with strikes on rail networks and transport operators threatening another walkout. Railway staff walked out this morning, leading to suspended passenger and freight services, compounding existing congestion at both Chittagong and Dhaka's rail inland container depots. Failure to get hold of the situation swiftly could result in an all-out supply chain catastrophe. Plans for a 48-hour walkout on February 10 are in place. The Government would need to meet the demands by February 9 if walkouts are to be avoided. **Source: The Loadstar**

January 28 | "Chinese New Year Rush and Threat of Tariffs Leaves Box Ports Congested"

The Chinese factory rush to get goods out before the New Year holiday, and the threat of US import tariffs, have seen global container port congestion hit a three-month high. The congestion in China would disrupt the transition to the new container shipping alliances on February 1st, giving breathing space to mainline operators that are bracing for under-utilization after the Chinese New Year, which starts tomorrow.

The implementation of tariffs on US imports from China remains unclear. Shortly after Donald Trump's election win in November, he talked about levying a 60% tariff on imports from China. However, after his inauguration on January 20th, President Trump said a 10% tariff could be imposed from February 1st.

Then, in an interview with Fox News on January 23rd, he said tariffs might not be executed after all, with China's Ministry of Commerce urging dialogue and consultation to resolve issues between the two countries. *Source: The Loadstar*

January 29 | "Congestion at Box Ports Still Plaguing Europe's Inland Waterways"

Issues surrounding worsening weather have compounded long-running difficulties across Europe's inland water network, with many calling for large-scale reform.

Sources within the sector have repeatedly said that operators need to be forced into better utilizing the space on their vessels, with many sailings "heavily" underutilized, leading to substantial, "now uniform" delays.

Indeed, barge operator Contargo is reporting congestion of 67 hours in Antwerp, with shippers looking at delays of 57 hours in Rotterdam.

These numbers are by no means outliers, with average waits of 40+ hours common over the past decade, with 24+ hours largely "expected" as a consequence of poor utilization and a sense of intransigence among operators to resolve the structural problems in the sector. *Source: CIFFA*

AIR

January 9 | "Air Canada to Launch Non-Stop Service Between Vancouver and Manila"

Air Canada has announced the expansion of its international network with the addition of non-stop flights between its Pacific hub at Vancouver International Airport (YVR) and Manila Ninoy Aquino International Airport (MNL) in the Philippines.

The new route will operate four times weekly beginning April 2nd, using the airline's flagship Dreamliner aircraft. Read more in an <u>article from Air Freight News</u>. Source: CIFFA

ROAD / RAIL

January 14 | "Rail Crisis Sees Boxes Pile Up at Dhaka – With Ramadan and Eid Looming"

Rail crisis sees boxes pile up at Dhaka with Ramadan and EID looming. Box lines are increasingly concerned that an imbalance in Bangladesh's rail capacity could cause chaos in the run-up to Ramadan and the April peak season, which coincides with this year's Eid.

Over Eid, rail operators prioritize passenger services, and there are suggestions that Railfreight movements could be halted for up to a week, resulting in as many as 3,000 teu of imports idling at Chittagong's inland container depot by the end of April. At present, due to ongoing shortages of rolling stock and manpower, Bangladesh Railway is operating just a single service a day, and with a backlog building the operator would need to quadruple this if it is to clear the backlog, or risk huge bottlenecks at both Chittagong and Dhaka. **Source: The Loadstar**

January 15 | "Unifor Members Vote to Back Strike Mandate at CPKC if New Contract Not Reached"

Workers represented by Unifor at Canadian Pacific Kansas City Railway have voted in favour of strike action if their union cannot reach a new deal with the company. The union says members voted 99 percent in support of the strike mandate.

Unifor Local 101R represents more than 1,200 members who work in mechanical shops, inspecting and maintaining locomotives and freight cars.

Negotiations between the union and the railway are set to resume in Calgary on January 24. The vote authorizes the union to initiate strike action if a deal is not reached by 12:01 am ET on January 29. Read more in an <u>article from BNN Bloomberg</u>. Source: CIFFA

January 25 | "CN / IBEW Union Files Strike Notice; No Impact to Service"

We are writing to provide you with an update regarding negotiations with the International Brotherhood of Electrical Workers (IBEW). Since bargaining began in September 2024, CN has made every effort to reach an agreement. The IBEW has rejected our recent offer and issued a strike notice. As a result, the earliest a work stoppage could occur is on **January 28 at 00:01 ET**.

We want to assure you that **there will be no impact on your shipments or our operations as a result of a work stoppage**. CN's contingency plans are in place, operations will continue, and our dedicated teams are prepared to ensure the seamless continuity of service.

CN will continue negotiating with the IBEW in hopes of resolving the outstanding issues at the bargaining table. While we are disappointed by the current situation, we are optimistic that a resolution can be achieved to avoid any work stoppage.

Your partnership is very important to us, and we remain focused on delivering the reliable service you expect from CN. **Source: CN**

Update January 28: CN announced today that a new tentative four-year collective agreement has been reached with the International Brotherhood of Electric Workers (IBEW). The union represents approximately 750 Signals and Communications employees across Canada. No details of the tentative agreement will be released publicly until the agreement is ratified. *Source: CN*

CUSTOMS

January 6 | "CBSA to Adjust Hours at Some Land Entry Ports on January 6"

The Canada Border Services Agency (CBSA) has announced adjustments to hours of service at 35 land ports of entry across Canada, effective Monday, January 6, at 12:01 am in local time zones. Of those, eight locations will affect commercial vehicles.

<u>The changes</u>, developed in collaboration with the U.S., aim to enhance border security and improve resource allocation at busier crossings, supporting both countries' efforts to process travelers and goods efficiently, the CBSA said in a release.

Read more in an article from Today's Trucking. Source: CIFFA

January 7 | "CBSA's Trade Compliance Verification Priorities for January 2025"

The CBSA has announced the latest Trade compliance verification priorities as of January 2025, please click here for the full list: <u>https://www.cbsa-asfc.gc.ca/import/verification/menu-eng.html</u> **Source: CSCB**

Listed below are some of the new compliance priorities:

- Verifications on the classification of frozen desserts containing 5% of dairy products
- GST and excise duties and taxes
- Import origin verifications under CETA and CUKTA:
- Most-Favoured-Nation (MFN) tariff treatment withdrawn from Russia and Belarus
- China Surtax Order (2024): Electric vehicles
- China Surtax Order (2024): Steel and Aluminum

January 8 | "CBSA Processed Nearly 4.5 Million Commercial Trucks Arriving in Canada in 2024"

The Canada Border Services Agency (CBSA) recently published a summary of its activities for 2024.

To date, the agency has processed nearly 4.5 million commercial trucks arriving in Canada, matching the volumes recorded in 2023. The CBSA collected approximately \$32.5 billion in duties and taxes. Over \$136.4 million in anti-dumping and countervailing duties were collected.

The CBSA also welcomed more than 80.5 million travellers to Canada, an increase of 9% compared to 2023. This includes approximately:

- 31.8 million travellers by air;
- 45.1 million travellers by land;
- 3.3 million travellers by sea;
- 336,000 passengers by rail.

The agency conducted more than 28,600 searches using its detector dog teams, intercepting more than 17,000 high-risk food, plant and animal products, drugs, firearms, and cash, and, administered nearly 2,500 penalties totaling \$2,136,200 for food import violations, of plants and animals. *Source:* **AXXESS**

January 8 | "CBSA's CARM Self-Help Feature"

The CBSA has created an interactive tool to find answers to the most common questions about registering your business in the CARM Client Portal. <u>https://www.canada.ca/en/border-services-agency/services/carm-portal-help.html</u> *Source: CSCB*

January 10 | "CARM: Did You Know? Newsletter (Third Issue)"

The link to the third issue of a limited series CARM newsletter is being provided to help small and medium businesses stay up to date on all things CBSA Assessment and Revenue Management Related (CARM). the third issue of a limited series newsletter. Source: CSCB

January 13 | "CBP Issues Notice of Proposed Rulemaking for Low-Value Shipments"

U.S. Customs and Border Protection (CBP) today announced a Notice of Proposed Rulemaking (NPRM) to strengthen CBP's information collection requirements for low-value shipments, also known as de minimis shipments. The proposed Entry of Low-Value Shipments (ELVS) rule will enhance supply chain visibility and will enable CBP to better interdict illegal shipments across U.S. ports of entry.

Members of the public will have 60 days to comment on the proposed rule, more information can be found here: <u>https://www.cbp.gov/newsroom/national-media-release/cbp-issues-notice-proposed-rulemaking-enhance-enforcement-low-value</u>. *Source: CSCB*

January 13 | "CRA Transitioning to Online Mail"

Starting this spring, the Canada Revenue Agency (CRA) has advised they will be transitioning to online mail as the default method of delivering most business correspondence.

This change applies to all the following businesses:

- All new business number and CRA program account registrations
- All existing businesses registered for My Business Account and
- All businesses who have given access to a representative to access these services on their behalf via Represent a Client

Full details, including exceptions to this change, are found in this CRA link: <u>https://www.canada.ca/en/revenue-agency/services/e-services/digital-services-businesses/business-account/about-business-account/online-mail-for-business.html</u>. *Source: CSCB*

January 14 | "CARM Upcoming Deadlines"

January 19, 2025: Moratorium on Late Accounting and Late Payment penalties ends.

The CBSA temporary CARM transition measures that allowed for non-issuance of both late accounting and late payment monetary penalties ends Jan 19th.

Failure to submit your CARM CAD accounting declaration within the prescribed 5 days from release, or failing to make full Statement of Account payment for amounts owing on your account by the SOA payment due date, will result in AMPS issuance

If you have not yet onboarded your business to the CARM portal and/or Delegated Authority to HOC via your CARM portal account, you will be subject to both late accounting and late payment penalties & interest for import transactions that have been released as of October 4, 2024, and failing to account/remit payment, will result in suspension of release privileges by the CBSA.

April 19, 2025: Moratorium on RPP surety ends

The CBSA temporary CARM transition measures that allowed for the importation/release of goods without having a Release Prior to Payment security agreement in place ends on April 19th.

Failure to have your RPP security agreement (aka bond) in place before April 19th, will result in shipments being held for release at the border pending either bond registration/approval (which could be lengthy) or cash for release at the border (C-type CAD). *Source: HOC*

Our FCL Fisker CARM team is available to assist: <u>CARM@fisker.ca</u>

January 14 | "CIFFA Advocacy / CBSA Assessment and Revenue management (CARM) Program – Extension of Grace Period"

On January 13, 2025, CIFFA wrote the CBSA to formally request an extension of the 90-day grace period for late accounting penalties, as our members continue to face several unresolved issues arising from the transition to the Canada Border Services Agency's (CBSA) CARM initiative.

As you are aware, the transition to CARM has introduced various complexities that have made it difficult for the trade community to fully comply with the required timelines and procedures for submitting accurate accounting information. Despite our best efforts to adapt, we have encountered numerous challenges, which we have outlined in the attached letter.

As a result of these ongoing issues, our members have been unable to meet the required deadlines for accounting and customs-related submissions, despite our commitment to full compliance. We have made consistent efforts to resolve these challenges, but the transition process has proven to be more complicated and time-consuming than initially anticipated. Read the full letter here <u>https://lnkd.in/g-ZGajVY</u>. Source: CIFFA

January 14 | "Canadian Chamber of Commerce's Business Data Lab is Launching the Canada-U.S. Trade Tracker"

Today, the Canadian Chamber of Commerce's Business Data Lab is launching the Canada-U.S. Trade Tracker — a new tool designed to illustrate the vital ties between our two economies and the risks of imposing tariffs: <u>https://lnkd.in/gB9BxRcy</u>.

This interactive online tool brings Canada-U.S. trade data to life, offering Canadians, Americans, businesses, and stakeholders' insights, and visualizations of trade flows and economic connections between the countries.

Read Andrew DiCapua's "*let's keep trade moving*" blog for more on how to get the most out of this new tool <u>https://lnkd.in/gYxwZcSJ</u>. Thanks to Andrew, Kaviraj Singh and Jacob Ritchie for their hard work developing this tool. *Source: Canadian Chamber of Commerce*

January 15 | "De Minimis: U.S. CBP Eyes New Requirements for Some Imports" Page 8 of 12 U.S. Customs and Border Protection is preparing to strengthen its data collection requirements for lowcost goods entering the country, according to <u>proposed rule changes</u>, published Tuesday.

The agency said the changes aim to target high-risk imports claiming the de minimis exemption more effectively, helping it boost enforcement to stop illegal drugs, counterfeit goods, and other illicit products from entering the U.S. Use of the de minimis exemption, which allows shipments of less than \$800 to avoid import duties and taxes, has surged in recent years.

Through the planned changes, CBP aims to combine aspects of <u>two pilot programs</u> focused on import transparency – the Entry Type 86 Test and the Section 321 Data Pilot – to create an alternative method for bringing low-cost shipments into the U.S. Known as the "enhanced entry process," the proposal would end the Entry Type 86 Test once finalized. **Source: CIFFA**

January 17 | "Reason to Believe and Communications with the Excise and Tax Team"

The CSCB advocates to the CBSA on behalf of our members on a daily basis. The issues and concerns that you bring forward to us are the basis for our advocacy. Our members have expressed concern regarding the emails that are being sent to the Excise and Tax Team and whether they constitute "Reason to Believe." We have questioned the CBSA and here is their response:

"The decisions that are rendered by the Excise team are not done with the fulsome information that an advanced ruling or a verification would contain. This administrative tool is simply to help the agency build and fine-tune system automation to aid in voluntary compliance. They are not formal decisions letters, or written decisions under the customs act. Should any TCP wish to have a decision which would give them RTB on the Tariff classification or tariff code of their goods they should request an advanced ruling. Alternatively, if they want a definitive ruling on the tax status of their goods, they can request a tax ruling from the CRA."

The CBSA has also advised the CSCB that they are actively validating requests and due to the influx of requests in the last month they have moved extra resources into the validation process.

If you continue to have rejects due to an HS/Tariff/GST combination, please email: <u>Excise_Taxes_Accise@cbsa-asfc.gc.ca</u> and they will respond to you as quickly as they can. Source: CSCB

January 21 | "WTO and WCO sign MOU"

The WTO and the World Customs Organization (WCO) signed a Memorandum of Understanding (MoU) on January 21st to enhance cooperation and collaboration on customs-related matters.

The two organizations agree to work together on customs-related topics, provide technical assistance, share information, and collaborate on new projects such as the development of the <u>Harmonized</u> <u>System (HS) tracker</u>.

More details can be found here: <u>https://www.wto.org/english/news_e/news25_e/igo_21jan25_e.htm</u>. Source: CSCB

January 22 | "CBSA's CARM Page Updates & Reminder – GST Break Ends on February 15, 2025"

The GST break is in effect from December 21, 2024, to February 15, 2025, with just over 3 weeks remaining.

The GST/HST will be fully and temporarily lifted on qualifying goods purchased and imported into Canada during the relief period. The CBSA will administer the GST/HST break on goods imported via the traveller, postal, Courier Low Value Shipment (CLVS) and commercial streams.

Click the link below for more information plus recent updates to the CARM 'Release schedule, features and benefits' page and CARM webinars page.

https://www.cbsa-asfc.gc.ca/services/carm-gcra/menu-eng.html Source: CSCB

January 23 | "Customs Notice 25-02: CARM Transition Measure – Late Payment Penalties and Interest"

Customs Notice 25-02: CARM Transition Measure – Late Payment Penalties and Interest

- 1. In order to further support the transition to the CBSA Assessment and Revenue Management (CARM) system, effective January 20, 2025, and up to the March billing period due date of March 31, 2025, the Canada Border Services Agency will not be issuing late payment penalties and late payment interest.
- 2. Effective April 1, 2025, all accounts with an overdue balance from the March 2025 statement of account (SOA) will be subject to late payment penalties.
- 3. Effective April 4, 2025, late payment interest will start accruing on accounts with an overdue balance and will be included on the SOA to be issued on April 25, 2025.
- 4. An account for which an SOA has not been paid, as per the specified due date, will be subject to collection measures by the Canada Revenue Agency. https://www.cbsa-asfc.gc.ca/publications/cn-ad/cn25-02-eng.html. Source: CBSA

January 23 | "CBSA Reaffirms its Commitment to Efficiency, Security and Prosperity"

Each year on January 26, the Canada Border Services Agency (CBSA) joins the World Customs Organization (WCO) and customs agencies around the world to mark International Customs Day. In 2025, the theme is: "Customs delivering on its commitment to efficiency, security and prosperity," and the CBSA is proud of its work towards these objectives over the last year.

The CBSA prevents illegal drugs, guns and inadmissible people from entering Canada and facilitates the free flow of persons and global trade every day of the year. Working together with local, national and international partners, between January 1 and December 31, 2024, the CBSA seized more dangerous drugs and firearms, and intercepted more stolen vehicles than it did the previous year.

The Agency also reaffirmed its commitment to ensuring North American security, as a key partner in Canada's Border Plan, which outlines an investment of \$1.3 billion by the Government of Canada to enhance border and immigration measures, including \$355.4 million for the CBSA. This investment will ensure that the CBSA can continue to build on its border enforcement activities, which includes increasing the number of removals by another 25% this year. Read the full article <u>here</u>

January 27 | "CARM 2025-01-24 – Reminder – Payment Policy"

Payment by Credit Card via the CARM Client Portal and at a Port of Entry Office

As per the Canada Border Services Agency's (CBSA) payment policy <u>described in D-memorandum</u> <u>17-5-1 - Payment of duties and taxes on imported commercial goods</u>, credit card payments are subject to a limit of \$4,999.99 CAD per invoice for all importers, whether payments are made when goods are released or made following the monthly statement of account issuance. Also, importers choosing to submit financial security in the form of cash security and making a payment by credit card must also adhere to the CBSA policy limit of \$4,999.99 CAD.

Multiple credit card payments to pay large monthly invoices is not in compliance with the CBSA payment policy. When duties and taxes on imported commercial goods exceed \$4,999.99 CAD for a single invoice, remittances must be made using an alternative method of payment as follows:

- Online Bill Payment via participating financial institutions
- Pre-Authorized Payment (PAD) via the CARM Client Portal
- Online Payment via the Electronic Data Interchange (EDI)
- Payment by cheques
- Brokers paying on behalf of importers are required to make single payments for each importer RM business account. These payments will be processed directly on the importer's account and will be visible on the monthly broker summary statement
- Online payment via EDI is the recommended method of payment. To sign up for EDI, please submit a <u>Client support contact form</u>
- The Pre-Authorized Debit process is not designed to accommodate broker payments on behalf of importers.
- CBSA will continue to temporarily accept a single broker cheque payment for multiple importer RM business accounts as long as this is a temporary measure allowing the broker to implement an alternate electronic means of payment. Payment allocation instructions must accompany your payment or be emailed to <u>CBSA.Payments-Paiements.ASFC@cbsa-asfc.gc.ca</u>. These payments will be processed on the broker's account and subsequently allocated to the importer's account. Brokers are encouraged to implement alternative payment arrangements promptly.

Monthly payments can be made online through participating financial institutions. The payee chosen must be Canada Border Services Agency (CBSA) and the business number, e.g. *******RM0001 must be entered as the account number.

TCPs may register for PAD via the CARM Client Portal by filling out an agreement form. Payments are initiated once per month by the CBSA on the payment due date. The withdrawal amount is based on the balance due on the payment due date. Note that this amount might differ from the statement of account, which is generated on the 25th of the month. Also, note that it may take up to 10 business days for bank withdrawals to occur depending on each financial institution's process. Please allow at least 10 business days before contacting the CBSA with PAD withdrawal inquiries.

Importers paying multiple RM accounts or brokers making payments on behalf of importers may do so using EDI. To sign up for EDI, please submit a <u>Client support contact form</u>.

When electronic payment methods are not possible, payments by cheque can be made payable to the Receiver General for Canada in Canadian currency. Cheques over \$25M are not accepted. Following the launch of CARM in October, separate cheques should be provided for each individual RM business account.

All commercial cheque payments delivered by mail & courier must be sent to:

Canada Border Services Agency Attention: Accounts Receivable Management Unit 333 North River Road, Place Vanier, Room 1018 Ottawa, ON K1A 0L8

Hand-delivered mail must be delivered to:

Canada Border Services Agency Attention: Accounts Receivable Management Unit 2215C Gladwin Crescent Ottawa, ON K1B 4K9

Non-resident payments

All commercial payments must be remitted to the CBSA in Canadian currency. Non-resident importers may use a service provider in order to clear their funds in Canadian currency. Foreign banks must have an established clearing relationship with a Canadian clearer. If no electronic payment methods are possible as per <u>CBSA policy D-memorandum 17-5-1</u> - <u>Payment of duties and taxes on imported commercial goods</u>, please submit a <u>Client support contact form</u> to discuss payment arrangements.

Payment Due Dates

Since the launch of CARM in October and the harmonized billing cycle, the monthly payment due date is 10 weekdays, inclusive of holidays, from the 17th of any given month. Below are the upcoming monthly payment due dates. Future dates will be published on our website. *Source: CSCB*

- Monthly SOA SOA Payment Due Date
- January 2025 January 31, 2025
- February 2025 March 3, 2025
- March 2025 March 31, 2025

For inquiries about Customs News Articles contact: <u>christina@fisker.ca</u>

For inquiries about CARM contact: <u>CARM@fisker.ca</u>

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