

## SPRING IS HERE!

On behalf of our team at FCL Fisker Customs & Logistics, we hope you had a wonderful Easter celebration. As a reminder to all our clients, the spring thaw is in full effect. Your FCL Fisker Associate can assist you with all your shipping needs.

CARM Implementation is moving forward. Are you ready? Registration of your business on the CARM Client Portal is required. Our CARM/CUSTOMS TEAM is available to assist you. [Customs@fisker.ca](mailto:Customs@fisker.ca), [CARM@fisker.ca](mailto:CARM@fisker.ca).

Sylvia Beck, Inside Sales

## IN REVIEW | MARCH 2024

### MARINE

#### March 8 | “Unity Insurance Facility Expanded to Cover All Shipping in Ukrainian Ports”

Marsh McLennan, the major global professional services firm specializing in risk, strategy, and human capital, has collaborated with the Ukrainian government and Lloyd's to announce a significant expansion of its Unity insurance facility.

This expansion entails the provision of affordable war risk insurance for ships transporting all non-military cargo, including commodities such as iron ore, steel, and containerized goods. This initiative aims to further strengthen Ukraine's maritime export infrastructure. *Source: Container News*

#### March 13 | “Panama Canal Authority Adds Three More Daily Transit Slots”

Solid amounts of rain have allowed the Panama Canal Authority (ACP) to add three extra slots per day at its panamax locks, taking the total daily maximum transits to 27, still more than 10 shy of the waterway's normal maximum, but **a sign that the worst is over** from the record drought that has been plaguing the canal since June last year.

Two additional slots will be offered through auction for transit dates beginning March 18, and an additional slot will become available for transit dates beginning March 25. *Source: CIFFA/Splash 247.com*

#### March 13 | “Haiti's Main Port Closes as Gang Violence Spirals”

Haiti's main port says it is suspending operations due to sabotage and vandalism as the capital city descends further into violence and chaos.

Local media report that armed men broke into the port in capital Port-au-Prince, looting containers. This follows attacks by gangs on the airport, police stations and prisons last week. They are pushing for Haitian Prime Minister Ariel Henry's removal.

A three-day state of emergency has now been extended by a month.

Caribbean Port Services, the operator of the port, cited "malicious acts of sabotage and vandalism" as it announced the decision to suspend all services. *Source: CIFFA / BBC News*

### **March 15 | "Tribunal Rejects Montreal Port Employers' Bid to Rule Dockworkers as Essential"**

A federal tribunal on Thursday reiterated its stance that Montreal port employers cannot require employees to work during a strike, paving the way for negotiations to resume ahead of potential job action.

In a summary decision, the Canada Industrial Relations Board rejected a request by the Maritime Employers Association to deem port work an essential service in a bid to prevent a strike on the waterfront.

The employers and the union representing 2,100 port workers failed to secure a new collective agreement before it expired on Dec. 31, but the case was before the tribunal at that time, postponing possible labour action.

Explaining its ruling, the board cited a 2020 decision that the employers association failed to demonstrate "imminent and serious risks to the health and safety of the public" – the criteria for essential activity – in the event of a work stoppage.

Read more in an article from [article from CityNews Halifax](#).

In a statement provided to CIFFA, the Maritime Employers Association said its "priority remains the conclusion of a negotiated collective agreement, supported by the Federal Mediation and Conciliation Service. *Source: CIFFA*

### **March 21 | "Canadian Importers: Are you Prepared for CARM?"**

The impact for unregistered importers will result in the refusal of entry of your goods into Canada along with additional fees and penalties. *Source: FCL Fisker/Axxess*

#### **WHAT IS CARM (CBSA Assessment and Revenue Management)?**

- On May 13, 2024, the CBSA Assessment and Revenue Management (CARM) will become the official registration system that importers and other trade chain partners will use to pay duties and taxes on commercial goods imported into Canada.
- Learn more:  
<https://www.cbsa-asfc.gc.ca/services/carm-gcra/schedule-calendrier-eng.html#4>

#### **TAKE ACTION IMMEDIATELY**

1. Register your business on the CARM Client Portal: <https://ccp-pcc.cbsa-asfc.cloud-nuage.canada.ca/en/homepage>
2. Delegate your Broker, FCL Fisker Customs & Logistics

If you have questions, contact our experts at [Customs@fisker.ca](mailto:Customs@fisker.ca) / [CARM@fisker.ca](mailto:CARM@fisker.ca)

## **REGISTRATION SUPPORT**

- For more information, you can directly contact the CBSA's Client Support Centre at 1-800-461-9999, select your desired language and press 2.
- For additional support, contact your FCL Fisker associate at: [Customs@fisker.ca](mailto:Customs@fisker.ca) / [CARM@fisker.ca](mailto:CARM@fisker.ca)

### **March 26 | “Mass Casualties Feared as Boxship Takes Out Bridge in Baltimore”**

Many are feared dead in Baltimore following a dramatic bridge collapsed after the 9,962 teu Dali containership smashed directly into one of the bridge's pillars. The Maryland Transportation Authority and US Coast Guard confirmed an incident on the Francis Scott Key Bridge. It is being seen as a developing mass casualty incident with multiple vehicles and many individuals said to be in the water.

Reports on the collapse of the longest bridge in Baltimore, and the world's third-longest continuous truss bridge, came in around 1.30 hrs local time Tuesday. Initial reports suggest there were around 20 people on the 2.57 km long bridge at the time of the incident.

The bridge collapse will mean that for the time being it will not be possible to get to the container terminals – or a range of the other port terminals – in Baltimore.

This is some 21,000 teu per week which now has to be routed through other ports in the region. Additionally, this means the cargo already gated into the Baltimore terminals would have to either wait an unknown period for the sea lane to reopen or be gated back out and shifted to a different port.

*Source: Splash 247.com*

## **AIR**

### **March 6 | “Lufthansa Cargo Woes Continue as Ver.di Union Vows to Fight On”**

Following repeated strikes at its hubs across Germany, Lufthansa is to engage in further negotiations with trade union ver.di.

Ground staff at Lufthansa Cargo have been striking intermittently since the start of the year, calling for a 12.5% increase on their basic salary, among other conditions.

The last round of negotiations between the German carrier and union were on February 21 and proved unsuccessful. The next round is set for March 13 and 14.

If the involved parties again fail to reach an agreement, the head of aircrew alliance at ver.di, Dennis Dacke, warned that ver.di is prepared to up the ante. *Source: CIFFA / The Loadstar*

### **March 7 | “Flying Start to the Year as Airfreight Benefits from Shipping Delays”**

Air cargo has continued its strong start to 2024, with volumes and rates cruising at high altitude even after Chinese New Year (CNY).

In its recent Analysis, Xeneta reported that February offered a second consecutive month of double-digit growth in demand, and an uptick in general freight spot rates. *Source: The Loadstar*

## ROAD

### Mar 25 | “Fleet Assistance Requested to Help Increase CARM Uptake and Reduce Potential of Border Slowdowns”

Although efforts to increase awareness and registration in the CARM portal have been ongoing for many months, with some success, it is estimated that only 55,000 to 60,000 of the roughly 200,000 importers conducting business in Canada are currently registered on the portal, as we near the May 13 implementation.

To ensure that as many importers as possible are registered prior to CARM implementation, the Alliance and all trade chain partners are requesting that cross-border carriers consider:

- Reaching out to their customers to make sure they are aware of CARM requirements and are registered on the portal.
- If they are not registered, request they work with their customs brokers to ensure CARM compliance.
- Ensure they have an active Business Number on file to help avoid their freight being potentially delayed once CARM goes live.

Read more in a [press release from the Canadian Trucking Alliance](#). *Source: CIFFA / Canadian Trucking Alliance*

## CUSTOMS

### March 4 | “Customs Notice 24-05: New Sanctions under the Regulations Amending the Special Economic Measures (Russia) Regulations – Importation of Diamonds”

1. To fulfil the commitment made by the G7 Leaders in 2023 to implement a prohibition on imports of Russian diamonds, the Government of Canada introduced the Regulations Amending the Special Economic Measures (Russia) Regulations.
2. The Canada Border Services Agency (CBSA) assists [Global Affairs Canada](#) with the administration of the [Special Economic Measures Act](#) (SEMA) and associated Regulations.
3. In accordance with the G7 commitment, the [Regulations Amending the Special Economic Measures \(Russia\) Regulations](#) prohibit the purchase, import, or acquisition of certain diamonds mined or produced in Russia that are exported, processed and/or polished in a third country. In particular, the prohibition applies to natural diamonds whose weight is greater than or equal to 1.0 carat that are covered under the following World Customs Organization Harmonized Commodity Description and Coding System (HS) codes:
  - HS 7102.10 – Unsorted diamonds, whether or not worked, but not mounted or set;
  - HS 7102.31 – Non-industrial diamonds, unworked or simply sawn, cleaved or bruted, but not mounted or set;
  - HS 7102.39 – Non-industrial diamonds, not mounted or set, other than those unworked or simply sawn, cleaved or bruted.
4. According to the Regulations Amending the Special Economic Measures (Russia) Regulations, it is prohibited to import Russian diamonds equal or greater than 1 carat, that were processed or produced in a third country.
5. When submitting import declarations to the CBSA for diamonds classified under the HS 7102.39, importers and customs brokers are required to use a paper release service option (please refer to the [Memorandum D17-1-4 Release of Commercial Goods](#) and [Customs Notice 23-26](#) for details) rather than using an electronic release service option.

6. Integrated Import Declarations for rough diamonds classified under HS 7102.10 and HS 7102.31 may continue to be submitted to the CBSA via Single Window Initiative (service option 911).
7. To facilitate/expedite the release process of diamonds subject to sanction that are of size equal or greater than 1 carat under HS 7102.39, as well as rough diamonds of mixed origin, importers and customs brokers are strongly encouraged to provide to the CBSA, as of March 1, 2024, a Diamond Origin Attestation form included in the Appendix A of this notice.
8. Importers, carriers or customs brokers may also be requested to provide additional documentary evidence (please refer to the Global Affairs Canada's web page [Canadian Sanctions Related to Russia](#) for details) to confirm that diamonds did not originate in Russia; this could include the following information and/or documents:
  - Mining origin (country where the diamond was originally mined).
  - Names of buyer and seller.
  - HS codes and description.
  - Number of parcels in a shipment.
  - Weight in carat of the diamond(s) if at least one diamond is of 1.0 carat or above (if multiple diamonds are shipped in a parcel).
  - Value of the diamonds.
  - Place of importation, exportation, and route of transportation.
  - Diamond Origin Attestation form
  - Laboratory grading
  - Packing List
  - Transportation documents
  - G7 Certificate
9. Failure to provide the Diamond Origin Attestation or any requested supporting documentation may result in significant delays in release of goods, detention, and potentially seizure of goods for non-compliance with SEMA.
10. For more information relating to sanctions or the process to apply for a permit or certificate under SEMA, please contact:  
Sanctions Policy and Operations Coordination Division  
Global Affairs Canada  
Lester B. Pearson Building  
125 Sussex Drive  
Ottawa, ON K1A 0G2  
Telephone: 1-877-808-8838 (Toll free)  
Email: [sanctions@international.gc.ca](mailto:sanctions@international.gc.ca)  
Website: [Global Affairs Canada](#)
11. For more information regarding the CBSA's programs and services, please contact the [Border Information Service](#) (BIS) line. Within Canada, you can call BIS toll-free at 1-800-461-9999. From outside Canada, please call 204-983-3500 or 506-636-5064 (long-distance charges will apply). Agents are available Monday to Friday (08:00 – 16:00 local time, except holidays). TTY is also available within Canada at 1-866-335-3237.

<https://www.cbsa-asfc.gc.ca/publications/cn-ad/cn24-05-eng.html>

### March 5 | “**CARM – Importer Surety Bonds**”

The Surety Association of Canada (SAC) recently polled its members and learned that the issuance of an importer bond is actually very quick; in fact, some have advised that, if the importer provides the necessary information in a timely manner, then the bond can typically be issued within one to three days. In fact, for SMEs that require the lower-tiered bond amount, some sureties have advised that they

do not even require underwriter intervention; hence, the bond may be produced as a “quick write” and provided instantaneously.

At this point in time, the Financial Security Regulations that are being updated as part of the Customs Act have not been released; hence, it is important to note that the current process by which RPP bonds can be provided is via the issuance of a D120 Customs Bond Form in paper/hard copy format. SAC members have informed their association that the CBSA is taking anywhere between 6 and 8 weeks to process paper bonds, due to a lack of internal resources.

Once the updated regulations have been released, and CARM Release 2 goes live on May 13, the bond issuance will be transitioning to digital format only, which will result in a much quicker process to post bond information within the CARM Client Portal as the CBSA’s manual approval process will no longer be required.

The question that SAC is getting asked from the importer community is should they get a bond now. Based on what SAC has learned from sureties, it would behoove importers to start building a relationship with a surety now (i.e., provide company information, etc.). Once the updated Financial Security Regulations are available, the surety industry will be able to determine what the financial security agreement will need to contain to replace the D120 Bond Form for RPP, as the CBSA has advised that the paper/hard copy bond form will no longer be accepted after CARM R2.

SAC has also provided a customs bond checklist (in [English](#) and [French](#)) to be used as a guide for importers; note, however, that this is for informational purposes only, as some sureties may have different or other requirements. *Source: CIFFA*

### **March 5 | “CBSA Seeks Feedback on Updated CARM D-Memoranda – More Documents Ready for Review”**

The CBSA is seeking feedback on updated Customs D-Memoranda ahead of the launch of the CBSA Assessment and Revenue Management System (CARM) on May 13. You are invited to review the DRAFT D-Memoranda listed below using the following link: [https://drive.google.com/drive/folders/1-ETg\\_wotdPp3U61hIS4wom61zDMasd5d](https://drive.google.com/drive/folders/1-ETg_wotdPp3U61hIS4wom61zDMasd5d)

Monday’s eBulletin listed seven D-memo drafts. Another six are now available:

- D17-1-4 – Mainlevée des marchandises commerciales / Release of Commercial Goods
- D19-12-1 – Importation de véhicules / Importation of vehicles
- D23-2-1 – Programme d'autocotisation des douanes pour les transporteurs / Customs self-assessment program for carriers
- D23-3-1 – Programme d'autocotisation des douanes (PAD) pour les importateurs / Customs Self-Assessment Program for Importers
- D5-1-1 – Traitement du courrier international / International mail processing
- D17-4-0 – Programme des messageries d'expéditions de faible valeur / Courier Low Value Shipment Program

### **March 8 | “EU Advances Ban on Products Made with Forced Labour”**

Negotiators from the European Parliament and European Council reached a provisional agreement this week on a regulation to prohibit products made with forced labour in the European Union market.

The regulation covers all products, including imports as well as goods made in the EU for domestic consumption and export.

According to a Parliament press release, the regulation provides that national authorities of EU member states (or, if third countries are involved, the EU Commission) will investigate the suspected use of forced labour in companies' supply chains. To aid in this process the European Commission will (1) draw up a list of specific economic sectors in specific geographical areas where state-imposed forced labour exists and (2) establish a database containing verifiable and regularly updated information about forced labour risks, including reports from international organizations. The Commission may also identify products or product groups for which importers and exporters will have to submit extra details to EU customs, such as information on the manufacturers and suppliers of these products. **Source: CIFFA**

### **March 13 | “Communique for AH Warehouse Operators”**

The Canada Border Services Agency (CBSA) has noticed that there have been several issues regarding eHouse bills (eHBs) getting held at AH type warehouses. This happens when sufferance warehouses have not signed up for the deconsolidation (DECON) notice which therefore causes delays in shipments getting to their destination or from being released. Although the DECON notice is an optional notice, in an attempt to solve this issue, the CBSA is reaching out to warehouse operators who have not yet signed up for the notice to encourage participation and reduce these occurrences from happening.

#### **What is a DECON notice?**

As mentioned in the Memorandum D3-3-1, Freight Forwarder pre-arrival and reporting requirements, a DECON notice is used by warehouses to inform clients (freight forwarders, sufferance warehouse operators and carriers) that their cargo is ready to be transferred from the original consolidated shipment to the related secondary house bills that were previously submitted to the CBSA. Once the DECON notice is generated, shipments can exit the warehouse and the freight forwarder becomes liable for the goods. It also notifies the owner of the previous cargo control number (CCN) that the CCN is acquitted, and that the liability is transferred to a new CCN/eHB.

#### **What are the benefits of signing up for the DECON notice for AH warehouses?**

- If a warehouse opts in to receive the DECON notice, this will advise AH warehouse operator when an eHB can exit their warehouse and allow the cargo to move to the destined sufferance warehouse or get released.
- The DECON notice provides real-time status updates electronically.
- The notice informs the warehouse operator of the further breakdown of the consolidated shipment they have entered into their warehouse. This information allows the warehouse operator to determine to which consolidated shipment a specific house bill is related.
- This notice can also serve as electronic notification to the party liable for customs duties and taxes on the consolidated shipment that the consolidated cargo or house bill has been acquitted and that liability has been transferred.
- Signing up for the DECON notice will help eliminate the need for in bond stamping / paper airport processes.

#### **How to sign up for the notice?**

To sign up to receive the deconsolidation notice, clients must register with the Technical Commercial Client Unit (TCCU). [eManifest@cbsa-asfc.gc.ca](mailto:eManifest@cbsa-asfc.gc.ca). Government of Canada **Source: CBSA**

## March 14 | “Regulatory Amendments to Support the Implementation of CBSA Assessment and Revenue Management (CARM)”

FCL Fisker released a News Flash on March 13, 2024, regarding the following:

As you are aware, the [Canada Border Services Agency's \(CBSA\) Assessment and Revenue Management \(CARM\)](#) project is a major transformation initiative to modernize the CBSA's systems and business processes used to assess and collect duties on imported goods.

Trade chain partners (TCPs) currently have access to the CARM Client Portal, an innovative self-service tool that provides a simple and secure way to interact with the CBSA electronically. Once CARM is fully implemented on May 13, 2024, TCPs will benefit from efficiencies in the overall accounting process for commercial goods imported into Canada.

The following amendments will come into force on May 13, 2024, which will include nine regulations made under the Customs Act and three regulations made under the Customs Tariff to:

- (i) support electronic communication between the CBSA, and TCPs by removing some requirements for in-person and paper-based communication and by adding some requirements for electronic communication (i.e. to account for goods and supply documentation related to duty free shop operations);
- (ii) update financial security requirements;
- (iii) implement simplified billing cycles that would provide more consistency among billing, accounting, and payment due dates for imported goods, and enable a period to make corrections to accounting documents without triggering a redetermination or a penalty; and
- (iv) make consequential and housekeeping amendments to update outdated references and nomenclature in several regulations to correct the wording of referenced acts and regulations, government directives, Minister titles and reflect current program policy.

A new regulation under the Customs Act will set out the terms and conditions for the electronic administration and confirmation of financial security to the CBSA.

The regulations have been published in the Canada Gazette, Part II. **Source:** CBSA

- [Canada Gazette, Part 2, Volume 158, Number 6: Regulations Amending Certain Regulations Administered and Enforced by the Canada Border Services Agency](#)
- [Canada Gazette, Part 2, Volume 158, Number 6: Financial Security \(Electronic Means\) Regulations](#)
- [Canada Gazette, Part 2, Volume 158, Number 6: Order Fixing May 13, 2024, as the Day on Which Certain Provisions of the Budget Implementation Act, 2021, No. 1 and the Budget Implementation Act, 2022, No. 1 Come into Force](#)



## March 19 | “Need for CRA Security Bond Once CARM is Implemented”

The CBSA has been asked if the CRA security bond will still be required when CARM is implemented and all Non-Resident Importers will have to post RPP financial security with the CBSA, please see their response below:

The Customs Act mandates the CBSA to collect duties and taxes on imported goods, that are released with a payment or under financial security. The CRA security bond is for the Goods and Services Tax (GST)/Harmonized Sales Tax (HST), and it is required under provisions of different act or regulations, the Excise Tax Act.

As these requirements stem from different laws and regulations, the CBSA security bond would not replace the CRA security bond. **Source:** CBSA

For inquiries about Customs News Articles contact:  
Christina Fisker, VP Customs & Compliance: [christina@fisker.ca](mailto:christina@fisker.ca)

---

You are receiving this newsletter as a client of FCL Fisker. To manage your subscription, please reply to [sylvia@fisker.ca](mailto:sylvia@fisker.ca)

