

HELP FOR CANADIANS TO MANAGE CANADA-US RELATIONS

The Government of Canada has launched a webpage, "Canada's engagement with the United States," that provides resources and solutions to help Canadians manage the potential effects of the evolving Canada-United States relationship. Topics include tariffs, supporting Canadian businesses, trade, bilateral relations, and more. Source: CIFFA

Sylvia Beck, Inside Sales

IN REVIEW | MARCH 2025

MARINE

March 10 | "Severe Weather Causes 115 Containers to Fall into the Sea, Ship Now Headed to Port of Vancouver"

The containership SM Portland, operated by SM Line, lost 115 containers due to severe weather while sailing through the Bering Sea on March 4th.

Strong winds caused the 4,228-TEU vessel to roll heavily, leading to the loss, collapse, and damage of its cargo. The ship is now scheduled to arrive in Vancouver on March 10, where it will undergo inspection before offloading its cargo.

SM Line has advised affected customers to verify their transport documents to confirm if their goods were impacted.

Read more in an article from Safety4Sea Source: CIFFA

March 14 | "Congestion Mounts at Port of Cape Town"

The Port of Cape Town is facing significant congestion, which is set to worsen this week with more adverse weather. The waiting time in Cape Town has not improved since March 5th. An eight-to-tenday delay at the port, with additional strong winds expected, and vessel-bunching may occur. **Source: The Loadstar**

March 28 | "Strikes in French Sea Ports – April 2025"

The National Federation of Ports and Docks, following the latest meetings with French Ministries, has announced the following measures (FNDP wants a response from the government within a week to continue negotiations):

72 hours work stoppage	48 hours work stoppage	
April 02 nd -03 RD -04 TH	From week 15 (confirmation of the dates	
	each Thursday the week before)	

The days of work stoppages, from week 14, could encourage shipping lines to decide "cut & run" and avoid French ports to discharge containers in Antwerp, Rotterdam. To be confirmed on a case-by-case basis.

The strikes are already affecting the entry and exit of containers at French Port Terminals. Confirmed port appointments continue to be canceled on days impacted by the strikes. As a result, appointments will still be saturated over the next few weeks.

For import and export shipments, please reach out to your FCL Fisker associate in order to identify and reschedule impacted containers, if applicable.

Storage, demurrage, and detention charges affecting LCL and FCL shipments are to be expected. Additional costs caused by a strike (demurrage, detention, storage, extra plugging, extra trucking, etc.) shall be borne by the goods. **Source: FCL Fisker**

AIR

March 10 | "Today's Strike Expected to Cause 'Massive' Disruption at German Airports"

Frankfurt Airport, Europe's leading hub for air cargo, has warned of "massive disruption" to flight operations today, March 10, from a one-day warning strike.

Members of Germany's Verdi trade union, which represents public sector workers, are demanding wage increases.

Airport authority Fraport said, "All services essential for maintaining full flight operations will be suspended during the strike period." And that the walkout would "most likely affect connecting flights."

A spokesperson for Lufthansa Cargo said, "Fraport has already announced heavy disruptions. Lufthansa Cargo will decide on the necessary measures shortly. We are doing everything we can to minimize the impact on shipments."

The 24-hour stoppage will also affect airports across the country, including Cologne/Bonn and Leipzig-Halle, which are important cargo hubs, as well as Stuttgart, Duesseldorf, Dortmund, Hanover, Bremen, Hamburg, and Berlin.

Read more in an article from The Loadstar Source: CIFFA

March 19 | "WestJet and Virgin Team Up On Transatlantic Cargo"

WestJet Cargo has signed a block space agreement (BSA) with Virgin Atlantic to manage cargo sales on the UK airline's new flights from Toronto, which mark a return to the Canadian market after an absence of more than 10 years.

The new agreement will start on March 31st and will see the Canadian operator gain access to capacity on Virgin's new flights from Toronto (YYZ) to London Heathrow (LHR).

West Jet said the partnership will strengthen links between Canada and key destinations across Europe, Africa, the Middle East, and Asia. Read more in an article from Air Cargo News Source: CIFFA

March 25 | "Grounded: How DOGE Cuts Could Affect U.S. Airfreight"

Since being unleashed by the Trump administration, the Department of Government Efficiency (DOGE) has imposed massive budgetary constraints, triggering a slew of job cuts across federal agencies; one hit particularly hard is the Federal Aviation Administration (FAA). While officials claim these cuts won't impact safety, industry experts warn they could disrupt air cargo and lead to operational delays, increased costs, and reduced efficiency. Read more in an article from Air Cargo Week Source: CIFFA

ROAD / RAIL

March 14 | "A "Floating Truck Stop" Could Alleviate Ontario's Highway Congestion"

The increasing volume of east–west road traffic through North America's busiest corridor, Hwy 401 in Toronto, requires the development of new and alternative solutions for the future. One of the possibilities involves the operation of mega-scale roll-on, roll-off shipping to carry trucks along the northern region of Lake Ontario.

A steadily increasing volume of road traffic travels along the highway that extends east from Chicago through Detroit, then across into Canada to Toronto and on to Montreal. Major east—west roads across Toronto have been widened, and additional east—west roads have been built, but road traffic volumes have steadily increased along with congestion, with delays raising the cost of commercial transportation.

One possible solution is a "floating truck stop" that would sail between the Port of Hamilton and a port located east of Toronto.

Read more in an article from The Maritime Executive Source: CIFFA

March 17 | "Changes to Container Truck Out-Gate Fees at DP World Vancouver Effective May 1"

Effective May 1, DP World will bill truck out-gate fees to the beneficial cargo owner (BCO), consignee, forwarder, trucking company, or other assigned party, instead of to the steamship lines (SSLs). For now, this change applies only at DP World Vancouver and only for import containers that are loading out via truck from DP World Vancouver. Source: CIFFA

<u>FAQs: Implementation of changes to the container truck out-gate fees at DP World Vancouver</u>
Notice of upcoming changes to container truck out-gate fees at DP World Vancouver

March 17 | "GCT Canada Deltaport / Vanterm Reservation Fee Increase Effective April 1"

Effective April 1st, GCT Canada will increase the reservation fee at Vanterm and Deltaport. All gate appointments/reservations for loaded container(s) will be charged \$63.50 per container/gate transaction, regardless of the shift. The reservation fee(s) will not apply to empty containers. **Source: CIFFA**

March 25 | "PSA Halifax Terminal Updates"

Based on the current import rail ground counts, any new import rail containers arriving at PSA Halifax are expected to be loaded onto the rail within three days.

With rail fluidity fully restored at the PSA Halifax Terminals, expedited rail services have resumed at both terminals as of March 24th.

The Halifax Port Authority (HPA) said in an email message that grounded rail footage at the PSA Halifax Atlantic Hub Terminal was down to 13,000 feet on March 24th and that, for import containers newly arrived by vessel at each terminal, the average dwell time is now two days. **Source: CIFFA**

March 27 | "Truck Appointment System Launched to Cut Wait Times at Halifax Port Container Terminal"

A truck appointment system introduced this month at the Port of Halifax is aimed at reducing waiting times and improving overall turnaround times.

Container terminal operator PSA Halifax recently announced a temporary adjustment to the free time policy to support the transition to the appointment system and to Hakka, a new online payment platform. Read more in an article from Today's Trucking. Source: CIFFA

March 31 | "CPKC Container Dwell Better But Still a Concern at Port of Vancouver"

Container dwell times at the Port of Vancouver continue to be a significant issue since the start of the year.

Canadian Pacific Kansas City (CPKC) has been particularly affected, with over 89,000 feet of containers sitting at Deltaport for more than seven days, according to port data. This is an improvement from the peak of nearly 160,000 feet in mid-March but still presents a substantial challenge. In contrast, Canadian National (CN) has managed to decrease on-dock footage across all Vancouver terminals in recent weeks. Read more in an article from FreightWaves Source: CIFFA

CUSTOMS

March 4 | "U.S. Imposes Tariffs on Canada and Mexico; Canada Applies Retaliatory Measures"

Despite months of relentless efforts by Canadian officials and business leaders to demonstrate that tariffs were neither justified nor necessary, yesterday, United States (U.S.) President Donald Trump imposed a 25% tariff on all Canadian goods except specified energy and energy resources, which are subject to a 10% tariff.

These measures came into effect at 12:01 a.m. EST on March 4th, 2025, and were imposed under the International Emergency Economic Powers Act based on the premise that Canada is a source for flows of fentanyl and other illicit drugs into the U.S.

In response, Canada has said it will apply a retaliatory 25% tariff on \$155 billion of specified US goods. In a statement last night, Canadian Prime Minister Justin Trudeau said, "Canada will not let this unjustified decision go unanswered. Should American tariffs come into effect tonight, Canada will, effective 12:01 a.m. EST tomorrow, respond with 25 per cent tariffs against \$155 billion of American goods – starting with tariffs on \$30 billion worth of goods immediately and tariffs on the remaining \$125 billion on American products in 21 days. Our tariffs will remain in place until the U.S. trade action is withdrawn, and should U.S. tariffs not cease, we are in active and ongoing discussions with provinces and territories to pursue several non-tariff measures. While we urge the U.S. administration to reconsider their tariffs, Canada remains firm in standing up for our economy, our jobs, our workers, and for a fair deal.

"Because of the tariffs imposed by the U.S., Americans will pay more for groceries, gas, and cars, and potentially lose thousands of jobs. Tariffs will disrupt an incredibly successful trading relationship. They will violate the very trade agreement that was negotiated by President Trump in his last term."

Key resources: Source: CSCB

• List of U.S. goods subject to retaliatory tariffs: <u>List of products from the United States subject</u> to 25 per cent tariffs effective February 4, 2025 - Canada.ca

- U.S. Federal Register Notice: 2025-03664.pdf
- White House Fact Sheet: <u>Fact Sheet: President Donald J. Trump Proceeds with Tariffs on</u> Imports from Canada and Mexico

March 4 | "CBSA Publishes Customs Notice 25-10: United States Surtax Order (2025-1)"

In response to the 25% tariff on Canadian goods imposed by the United States effective 12:01 a.m. EST, Canada has proceeded to apply retaliatory 25% tariffs on certain U.S. commodities. The Canada Border Services Agency (CBSA) has issued Customs Notice 25-10 to specify how these surtaxes will be applied: https://www.cbsa-asfc.gc.ca/publications/cn-ad/cn25-10-eng.html Source: CSCB

UPDATE: March 7 | Imports from Canada and Mexico that are Compliant with CUSMA will not be Subject to Tariffs until April 2nd

The White House announced Thursday afternoon that it will suspend tariffs on all imports that are compliant with the Canada-United States-Mexico Agreement until April 2nd.

The pause, which was extended to imports from Mexico that adhered to the agreement earlier Thursday, will now also cover goods from Canada that meet the trade deal's requirements. The move builds on Wednesday's exemption for car imports from either country.

Roughly half of Mexico's imports to the U.S. are CUSMA compliant, while nearly 40% of those from Canada are, CNBC reported, citing a White House official.

The U.S. is preparing to enact a universal reciprocal tariff policy on April 2nd, the day the pause ends.

Read more in an article from Supply Chain Dive. Source: CIFFA

March 4 | "Prime Minister Trudeau Outlines Canada's Immediate Response to US Tariffs"

In a press conference this morning, Prime Minister Justin Trudeau outlined in clear terms the measures Canada will take in response to the tariffs imposed by the United States (U.S.) government earlier this morning.

Prime Minister Trudeau noted that, in addition to retaliatory tariffs on certain U.S. commodities, Canada will also seek dispute resolution via the World Trade Organization (WTO) and through the Canada-United States-Mexico Agreement (CUSMA). He further noted that the federal government is in active consultation with provincial and territorial leadership about potential additional measures. You can watch the press conference here: https://cpac.ca/headline-politics/episode/pm-justin-trudeau-holds-a-news-conference--march-4-2025?id=b2727646-5ac2-4211-a478-f2d01d971505 Source: CSCB

March 5 | "Canada Initiates WTO Dispute Complaint Regarding U.S. Tariff Measures"

The World Trade Organization has advised that Canada requested dispute consultations with the United States regarding the tariffs imposed on March 4^{th} , 2025. Canada claims the additional duties on all goods are inconsistent with the General Agreement on Tariffs and Trade (GATT) 1994 and the WTO's Trade Facilitation Agreement.

More information can be found here on the WTO site: https://www.wto.org/english/news e/news25 e/dsrfc 05mar25 e.htm Source: CSCB

March 5 | "CARM: Did You Know? Newsletter"

The CBSA CARM team has published the fifth issue of a limited series newsletter to help small and medium businesses stay up-to-date on all things CBSA Assessment and Revenue Management (CARM).

Link to French and English versions: https://cscb.ca/en/media/document/carm-did-you-know-newsletter-0
Source: CSCB. Also posted on the FCL Fisker Customs & Logistics Website: www.fisker.ca

March 10 | "Official U.S. CBP Statement on Tariffs and CSMS Guidance"

On March 8th, 2025, U.S. Customs and Border Protection (CBP) issued a statement on tariffs:

Based on Executive Orders issued on March 4th and 7th, 2025, CBP is collecting the following additional tariffs on imports from Mexico, Canada, and China under the International Emergency Economic Powers Act:

- Additional 25% tariffs on goods that do not satisfy U.S.-Mexico-Canada Agreement (USMCA) rules of origin.
- A lower, additional 10% tariff on energy products imported from Canada that fall outside the USMCA preference.
- A lower, additional 10% tariff on potash imported from Canada and Mexico that falls outside the USMCA preference.
- Additional 20% on goods from China and Hong Kong (increased from 10% on March 4th).

Effective March 7th, 2025, no additional tariffs are due on goods from Canada and Mexico that qualify for the USMCA preference.

Please review the full statement here: https://www.cbp.gov/newsroom/announcements/official-cbp-statement-tariffs

Additionally, U.S. CBP have issued guidance through Cargo Systems Messaging Service (CSMS) regarding these additional tariffs.

<u>CSMS # 64348288 - GUIDANCE: Import Duties on Imports of Aluminum and Aluminum Derivative</u>
<u>Products - effective 12:01 Eastern Daylight Time on March 12th, 2025. (applies to imports from all countries)</u>

<u>CSMS # 64348411 - GUIDANCE: Import Duties on Imports of Steel and Steel Derivative Products -</u> effective 12:01 Eastern Daylight Time on March 12th, 2025. (applies to imports from all countries)

<u>CSMS # 64336037 - GUIDANCE – Update on Additional Duties on Imports from Canada – USMCA Qualifying Products and Potash</u> - Effective on or after 12:01 a.m. eastern standard time March 7th, 2025, goods that qualify for USMCA, are exempt from the additional duty rates that were implemented March 4th, 2025, with the Harmonized Tariff Schedule of the United States (HTSUS) 9903.01.10 and 9903.01.13. New HTSUS classification to be applied to products that qualify for USMCA - 9903.01.14

Exception - Potash: If the potash does not qualify for USMCA, it will be subject to an additional 10% duty using the new HTSUS classification 9903.01.15. (not the 25% rate under 9903.01.10.)

<u>CSMS # 64347680 - UPDATE: Harmonized System Update (HSU) 2509</u> - As of March 7th, 2025, the temporary exclusion from the additional ad valorem IEEPA duties in place for in-transit shipments has ended. Consequently, HTS 9903.01.23 is no longer available after 12:01 a.m. ET on March 7th, 2025. All shipments that are country of origin China and Hong Kong are required to submit the 9903.01.24 tariff as well as remit payment of the additional 20% duty, unless the shipment meets the other exclusions (donation, information materials, Chapter 98).

See https://www.cbp.gov/trade/automated/cargo-systems-messaging-service for a full list of recent CSMS messages. Source: CSCB

March 10 | "Bulletin 5399 – Reminder – Filing of Statement of Adjustments Appeals Under Section 60 of the Customs Act In CARM"

On the CARM Client homepage, under Bulletins, the CBSA has published Bulletin 5399 - Reminder - Filing of Statement of Adjustments Appeals under Section 60 of the Customs Act in CARM:

Appeal Submission Portal

- 1. This is a reminder to all trade chain partners (TCPs) to submit their appeal requests under section 60 of the Customs Act through the CARM Client Portal (CCP).
- 2. For detailed instructions on submitting an appeal request on the CCP, please refer to the CARM User Guide Appeal a Commercial Accounting Declaration adjustment decision.

Filing a single appeal request for multiple Commercial Accounting Declarations (CAD)

- 3. Appeal requests that involve multiple Statements of Adjustments and/or CADs should be grouped into one single appeal. Submitting individual appeal requests for each CAD will result in delays in receiving a decision.
- 4. Group and select all Statements of Adjustments issued under subsection 59(2) of the Customs Act related to the same issue and involving the same or similar goods within a single appeal request on the CCP rather than creating separate appeal requests for each Statement of Adjustment.

Prescribed documents and information

- 5. TCPs are reminded that pursuant to subsection 60(3) of the Customs Act, appeal requests must include the prescribed documents and information.
- 6. Please refer to D11-6-7, Appendix A (prescription instrument) to ensure that your appeal is submitted in the prescribed manner: <u>D11-6-7: Request under Section 60 of the Customs Act for a Re-determination, a further Re-determination or a Review by the President of the Canada Border Services Agency.</u>

Failure to provide the required documentation

7. Any appeal request not submitted in the prescribed form or manner or does not contain the prescribed information may be rejected for not meeting the requirements of subsection 60(3) of the Customs Act. Any rejected appeal request may be re-submitted once all legal requirements, including the provision of prescribed information, are met.

Contact for CARM Client Support Helpdesk

Telephone: 1-800-461-9999, option 2 for CARM.

Online: Client support contact form: Canada Border Services Agency

Business hours: Monday to Friday (except holidays), 7 am to 7 pm (Eastern time).

Link: https://ccp-pcc.cbsa-asfc.cloud-nuage.canada.ca/en/public-bulletins. Source: CSCB

March 10 | "China Retaliatory Tariffs on Some Canadian Products"

In retaliation to Canada's tariffs (Customs Notice 24-36: China Surtax Order (2024) – Steel and Aluminum), China has announced that effective March 20th, 2025, they will apply a 100% tariff on Canadian

- rapeseed (canola) oil
- oil cakes
- pea imports

And a 25% tariff on Canadian

- aquatic products
- pork

"On Friday, the federal government announced some tariff relief measures for Canadian businesses and workers, including \$1 billion in new financing through Farm Credit Canada to reduce financial barriers for the Canadian agriculture and food industry"

More information can be found here:

https://www.cbc.ca/news/world/china-canada-tariffs-retaliatory-1.7478503. Source: CSCB

March 11 | "BCCC Debrief: Update on Surtaxes and RPP Transition"

On March 10th, 2025, the CBSA convened an ad hoc meeting of the Border Commercial Consultative Committee (BCCC) to share updates concerning CBSA processes and decisions related to the U.S. tariffs, the Canadian retaliatory surtax, and related matters. Here are some of the key points from the discussion: **Source: CSCB**

- Industry participants asked if Canada was going to remove the surtax from U.S. goods under the de minimis threshold, noting the administrative and financial burden this placed on importers who now needed to pay both surtaxes and (often) processing fees to account for goods that would otherwise have entered without these additional processes. The CBSA recognized the challenges presented by dealing with surtax-applicable goods in the de minimis context and reaffirmed that the Agency is advocating to the Department of Finance to amend United States Surtax Order (2025-1) to address the situation. At this time, however, the surtax continues to apply to goods under the de minimis threshold if they are listed in the Schedule to the surtax order.
- Industry participants asked if the CBSA would consider exempting the surtax from the
 calculations used to determine account security requirements for Release Prior to Payment
 (RPP). The CBSA confirmed that it was aware of the request and was examining the situation,
 but that no changes to the RPP account security calculation process are anticipated at this
 time.
- Several industry participants asked if the CBSA would be extending the RPP transition period past the April 19th, 2025, deadline established by regulation. CBSA emphatically confirmed that the transition period would not be extended and that importers needed to be taking measures now to be prepared. The CBSA said that it was closely monitoring importer readiness in CARM with respect to financial security and was conducting internal exercises to prepare for various outcomes for when the transition period ends. Of note, the CSCB has previously advocated for some form of mitigation process, given that April 19th falls on a Saturday in the middle of the Easter long weekend; however, the CBSA confirmed that no mitigation measures could be implemented given that the end of the transition period is established by regulation.

March 13 | "Canada Initiates WTO Dispute Complaint Regarding US Steel and Aluminum Duties"

Canada has requested World Trade Organization (WTO) dispute consultations with the United States regarding the US tariffs imposed on Canadian steel and aluminum products.

For more information, please visit this link:

https://www.wto.org/english/news_e/news25_e/ds635rfc_13mar25_e.htm Source: CSCB

March 14 | "CBSA Provides More Information for Importers Submitting Financial Security Before April 19th Deadline"

The CBSA has provided further information on how importers can provide financial security to participate in the CARM Release Prior to Payment (RPP) program. The information is available in <u>English</u> and <u>French</u>. *Source: CIFFA*

March 17 | "CARM Bulletin 5400 - B3 to CAD Conversion Guide"

This bulletin is a reminder of CBSA's policy regarding B3 to Commercial Accounting Declaration (CAD) conversions submitted by Trade Chain Partners (TCPs). When converting a B3, the Pre-CARM "As Declared" CAD must:

- 1. Accurately reflect all the values declared on the B3, including any subsequent adjustments submitted and approved by the CBSA. This is particularly relevant to adjustments processed via B2 Blankets and Drawbacks.
- 2. Follow the same line format as on the B3 in order to accurately reflect historical data. Formatting should not be changed to account for goods by invoice lines. For example, if the B3 had 3 lines and 12 invoices, the Pre-CARM "As Declared" CAD should also have 3 lines, regardless of the number of invoices. Exceptions to this are lines which were administratively created to capture additional duties and taxes on a B3 (e.g. excise duties and provincial taxes). In these instances, these lines are to be removed, and the amounts should be entered in the applicable fields on the corresponding lines.

If a CAD adjustment request received for a Pre-CARM "As Declared" CAD does not follow the guidance in this bulletin, the adjustment will be rejected. The TCP will be advised to submit a CAD withdrawal so a correct Pre-CARM "As Declared" CAD can be created as per paragraph 13 of Memorandum D17-2-4: Preparation and Presentation of Pre-CARM Adjustments.

For additional guidance, refer to:

- Memorandum D17-2-4: Preparation and Presentation of Pre-CARM Adjustments
- CARM User Guide Convert a Pre-CARM B3 to a Commercial Accounting Declaration
- Memorandum D17-2-3: Business Number Changes and Commercial Accounting Declaration
 Withdraw Requests

Link: https://ccp-pcc.cbsa-asfc.cloud-nuage.canada.ca/en/public-bulletins Source: CSCB

March 17 | "Debrief; Forum on Canada-U.S. Issues Call"

The Forum on Canada-U.S. Issues call is a weekly forum for industry stakeholders to receive regular updates on Canada-U.S. issues and ensure a regular channel of communication between industry and government.

On Thursday, March 13^{th,} we heard from Patrick Halley, the Assistant Deputy Minister - International Trade and Finance Branch, and Arun Alexander, the Deputy Ambassador, Embassy of Canada to the United States of America.

The discussion focused on the implications of recent U.S. tariffs on Canadian steel and aluminum. Mr. Halley outlined Canada's response, which includes a dollar-for-dollar countermeasure imposing a 25% tariff on American goods valued at \$29.8 billion. When asked, Mr. Alexander confirmed that an additional tariff on copper could be implemented by the U.S. as early as April 2nd. 2025.

The tariff remission process was discussed. Mr. Alexander said that the framework from 2018 is still applicable. Additional measures will be coming from across all jurisdictions to help avoid layoffs for

affected businesses. See our Trade News article for more information - "Process for requesting remission of tariffs that apply on certain goods from the U.S." https://cscb.ca/en/article/process-requesting-remission-tariffs-apply-certain-goods-us

Questions regarding the status of remission requests and the potential impact of the caretaker convention during elections were addressed, with it being noted that while the government continues to operate, there may be delays in processing.

Stakeholders were reminded that the Surtax does not apply to some goods when they are classified in Ch98 and Ch99, as noted in <u>Customs Notice 25-10</u> and <u>Customs Notice 25-11</u>.

Customs Notice 25-10

- 7. The surtax does not apply to goods that are classified, or that should be classified, in <u>Chapter 98</u> of the Schedule to the Customs Tariff, other than goods of 9804.30, 98.25, 98.26, 9897.00.00, 9898.00.00, and 9899.00.00.
- 8. The surtax does not apply to goods that may be classified in the tariff items of <u>Chapter 99</u> of the Schedule to Canada's <u>Customs Tariff</u> with the exception of goods classified in tariff items 9966.00.00, 9971.00.00, and 9989.00.00. Goods in those tariff items are subject to the surtax even though they are entitled to the Most-Favoured-Nation zero customs duty rate under that Chapter.

Customs Notice 25-11

- 7. The surtax does not apply to aluminum and other goods identified in Schedule 1 that are eligible for classification in the tariff items of <u>Chapter 98</u> of the Schedule to Canada's Customs Tariff, other than goods of 9804.30, 98.25, 98.26, 9897.00.00, 9898.00.00, and 9899.00.00.
- 8. The surtax does not apply to aluminum and other goods identified in Schedule 1 that are eligible for classification in the tariff items of <u>Chapter 99</u> of the Schedule to Canada's <u>Customs Tariff</u> with the exception of goods classified in tariff items 9966.00.00, 9971.00.00, and 9989.00.00. Goods in those tariff items are subject to the surtax even though they are entitled to the Most-Favoured-Nation zero customs duty rate under Chapter 99.

For example, when commodities noted in CN25-10 or Schedule 1 of CN25-11 qualify for the use of tariff code 9948, the Surtax would not apply.

It was noted that if the caretaker convention goes into effect, these calls will not be impacted. More info on the caretaker convention can be found here:

https://www.canada.ca/en/government/system/government-communications/communications-community-office/communications-101-boot-camp-canadian-public-servants/communications-during-election.html Source: CSCB

March 17 | "The Importance of Accurate Use of Product of Canada and Made in Canada Claims"

Canadians have been clear in recent weeks that they want to support Canadian businesses and buy Canadian products now more than ever.

The Canadian Food Inspection Agency has issued a Notice to Industry regarding the importance of accurate use of Product of Canada and Made in Canada labelling. When using these claims, it is important to follow the guidance for their use and ensure the label is accurate and not misleading. Accurate "Made in Canada" and "Product of Canada" labelling fosters a fair marketplace, builds trust, and strengthens consumer confidence in Canadian businesses.

Consult the notice to industry to learn more. Source: Government of Canada

March 18 | "The Financial Post's Tariff Tracker"

Having trouble navigating the twists and turns of the recent Canadian tariffs? The Financial Post has created "Tariff tracker: Confused by the trade war? Here's where things stand today".

Link: https://financialpost.com/news/economy/tariff-tracker-u-s-canada-trade-war-updates

This article provides an interactive chart as well as a detailed timeline, starting on March 4^{th} , 2025, and includes a *What's Next* section describing the potential tariffs affecting Canada, planned for March 20 and April 2^{nd} .

In the chart, columns can be sorted by clicking on the headers: Imposed by, Imposed on, etc. In the screenshot below, we have sorted by Date. Also, hovering over the Type of Tariff will provide additional detail. **Source: CSCB**

Search					
Imposed by	Imposed on	Date 🛦	Type of tariff	Amount	Status
	I+I	April 2	Reciprocal to address all Canadian tariffs, taxes and non-tariff barriers on the U.S.	TBD	Pending
+		April 2	Retaliatory (3) on an additional \$95-billion worth of U.S. goods	TBD	Pending
I+I		March 10	Surtax on electricity exported from Ontario to U.S. states	25%	8
	1+1	March 12	Steel and aluminum	25%	\otimes
*		March 13	Retaliatory (2) on \$29.8- billion worth of goods	25%	\otimes
*3	1+1	March 20	Retaliatory tariffs on canola oil, canola meal and pea products	100%	Pending
*>	 + 	March 20	Retaliatory tariffs on seafood and pork	25%	Pending
	1+1	Orange juice, peanut butter, wine, s beer, coffee, appliances, apparel, footwear, motorcycles, cosmetics,			8
	*	certain	pulp and paper products products targeted.		8
+		March 4	Retaliatory (1) on \$30- billion worth of U.S. goods	25%	0
	*	March 6	Non-CUSMA goods (Excl. energy, potash)	25%	\otimes
	*	March 6	Energy products not covered by CUSMA	10%	\otimes
		March 6	Potash products not covered by CUSMA	10%	Ø

March 19 | "CARM Bulletin 5401 – Common Business Number Change Errors"

Common Business Number Change Errors

The CBSA has noticed a significant amount of business number (BN) changes being requested incorrectly and reminds Trade Chain Partners (TCPs) to follow the procedures outlined in <u>Memorandum D17-2-3</u>, <u>Business Number Changes and Commercial Accounting Declaration Withdraw Requests</u>, which do not follow this guidance, will be rejected and legislative time limits for submitting adjustments will not be protected.

BN changes where a broker is not delegated for both importers

When a BN change is required between two importer accounts that a broker does not have delegated authority for, a Type-V CAD must be submitted under the correct BN. Once accepted, a correction under "R5-00-COT" or an adjustment under "R2-74-1-D.Typo" can be submitted on the original CAD to amend the Quantity and Value for Currency Conversion fields to zero. The rationale for the correction or adjustment must include a reference to the Type-V CAD transaction number. Where the adjustment is required on a B3, the broker must first convert the B3 into a Pre-CARM "As Declared" CAD and then submit the adjustment.

The CBSA has observed TCPs not following these steps and submitting withdraw requests instead of adjustments. These requests will be rejected. CAD withdraw requests can only be made in the specified circumstances listed in D17-2-3 and cannot be used when a correction or adjustment can be made instead.

BN changes involving CLVS transactions

When a BN change is required for a select number of shipments that were accounted for on a consolidated Type-F CAD, a Type-V CAD must be submitted under the correct BN for these goods. Once accepted, an adjustment to the original Type-F CAD can be submitted under "R2-74-1-D.Typo" to remove these shipment(s). A Recap Sheet demonstrating the change must be attached, and the request must include a reference to the Type-V CAD transaction number.

The CBSA has observed TCPs not following these steps and creating and adjusting Pre-CARM "As Declared" Type-F CADs for the shipment(s) instead. This process does not facilitate the correct posting of credits and debits between importer accounts and is, therefore, not permitted.

Link: https://ccp-pcc.cbsa-asfc.cloud-nuage.canada.ca/en/public-bulletins Source: CSCB

March 20 | "China Imposes 100% Tariffs on Canadian Canola, Peas, Seafood, and Pork"

Today, the Chinese government-imposed tariffs of 100% on Canadian canola meal and oil, and peas and 25% tariffs on Canadian seafood and pork.

"China is imposing the tariffs following an anti-dumping investigation into Canadian canola, undertaken by the Chinese government in September of 2024 after the Canadian government joined the U.S. in imposing a 100 percent tariff on Chinese-made electric vehicles along with 25 percent tariffs on steel and aluminum. Dumping refers to when goods are sold in a jurisdiction for a lower price than in their country of origin. The Government of Canada has denied the dumping allegations."

Please click here for the full article: https://financialpost.com/news/local-news/china-imposing-tariffs-canadian-canola/wcm/5e20aba9-bb2b-4039-b0fb-c8095a24daaa Source: CSCB

March 24 | "Recordings of CBSA Webinar on CARM RPP Program"

In February 2025, the CBSA held webinars on the CARM RPP program, and the recordings are now available in both languages: **Source: CSCB**

- CARM Did You Know Release Prior To Payment (RPP) Program Webinar Recording
- GCRA Le Saviez-Vous Programme De Mainlevee Avant Paiement (MAP)

March 24 | "Broadcast Message: Government Launches Consultations on Potential Trade Measures"

The Honourable François-Philippe Champagne, Minister of Finance and the Honourable Anita Anand, Minister of Innovation, Science and Industry announced the launch of a <u>30-day public consultation</u> on possible trade measures to protect against the threat of diversion of steel products from third countries into the Canadian market as a result of the recent trade measures by the U.S.

The government welcomes information from the Canadian steel industry, consumers, and other interested businesses and individuals. Comments regarding possible measures to address trade diversion can be submitted to the Department of Finance Canada at <u>fin.simaconsult-Imsiconsult.fin@fin.gc.ca</u> until April 21st, 2025.

Further information is available at: <u>Government Launches Consultations on Potential Trade Measures</u> to Prevent Diversion of Steel Products into Canada. **Source: Global Affairs Canada**

March 25 | "Canada Gazette, Part II, Volume 159, Extra Number 3"

The Canada Gazette, Part II, Volume 159, Extra Number 3 has been published on March 24th, 2025, <u>link</u> and contains the following Proclamations: **Source**: **CSCB**

- <u>SI/2025-57</u> Proclamation Dissolving Parliament
- SI/2025-58 Proclamation Issuing Election Writs
- <u>SI/2025-59</u> Proclamation Summoning the House of Commons to Meet on May 26th, 2025

March 25 | "Customs Notice 25-12: Update to the CBSA Assessment and Revenue Management (CARM) System for Changes to Excise Duty Rates on Alcohol and Tobacco Products Effective April 1st, 2025"

Link: https://www.cbsa-asfc.gc.ca/publications/cn-ad/cn25-12-eng.html

Ottawa, March 25th, 2025

- 1. This notice is to inform you that the adjustments to Excise Duty Rates on Alcohol and Tobacco Products will be effective on April 1st, 2025. The modifications, available in CBSA Assessment and Revenue Management (CARM) system, relate to Spirits and Wine, Beer, and Tobacco products.
- 2. For more information, please refer to the Canada Revenue Agency <u>Excise duty rates</u> web page that lists current and historical rates.
- 3. For more information, contact CBSA the Border Information Service (BIS):
- Calls within Canada & the United States (toll free): 1-800-461-9999
- Calls outside Canada & the United States (long distance charges apply): 1-204-983-3500 or 1-506-636-5064
- TTY: 1-866-335-3237
- Client Support Contact Form (web form)
- Contact Us at the CBSA website may also be accessed for information. Source: CSCB

March 25 | "RPP Transition Plan Ends Monday, May 19th, 2025"

In a recent CBSA webinar titled "Carriers and Freight Forwarders: Understanding Upcoming Changes to Release Requirements", the CBSA advised that the RPP Transition Plan has been extended and the deadline for importers to obtain financial security has been moved from April 19th, 2025, to May 19th, 2025. The CSCB has reached out to the CBSA to confirm the date in the slide deck is correct and we will advise members as soon as we can.

Link to the CBSA CARM presentations in English and French: https://cscb.ca/en/media/document/carm-webinar-material

Beginning on Tuesday, May 20th, 2025 (after the Victoria Day long weekend), importers will be required to have financial security and be enrolled in the RPP program in the CARM portal in order to benefit from the Release Prior to Payment (RPP) Program. The RPP program allows participants to obtain the release of goods from the CBSA before the final accounting and payment of duties and taxes. **Source: CSCB**



What is Changing May 20, 2025?

- The majority of importers, and in turn carriers, benefit from electronic release prior to paying duties and taxes by importers enrolling in the Release Prior to Payment (RPP) Program and posting financial security.
- As of May, 2025, importers are required to enroll in RPP and post financial security in the CCP in order to continue to benefit from RPP release service options, such as Release on Minimum Documentation (RMD), Pre-arrival Review System (PARS), and Integrated Import Declaration (IID). Should importers not enroll, it may result in delays in processing at the border and at sufferance warehouses.

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March 26 | "New CBSA CARM Webinars"

The CBSA has added new dates for their CARM webinars, please see below. The CBSA CARM webinar site (<u>link</u>) should be updated soon. **Source: CSCB**

Webina Client P	r Registration - CARM: Did yo ortal	u Know? Registering on the	CARM	
English	Tuesday April 8th, 2025	1:00pm to 1:30pm ET	Register	
French	Tuesday April 8th, 2025	11:00am to 11:30am ET	Register	
Webinar	Registration – CARM: Did you Kno	w? Release Prior to Payment (R	PP) Program	
	Wednesday April 2nd, 2025	11:00am to 11:30am ET	Register	
English	Thursday April 10th, 2025	1:00pm to 1:30pm ET	Register	
	Wednesday April 16th, 2025	11:00am to 11:30am ET	Register	
French	Wednesday April 2nd, 2025	1:00pm to 1:30pm ET	Register	
	Thursday April 10th, 2025	11:30am to 12:00pm ET	Register	
	Wednesday April 16th, 2025	1:00 to 1:30pm ET	Register	
Webinar	Registration – What You Need to R	Know about CARM		
English	Tuesday April 22nd, 2025	11:00am to 12:30am ET	Register	
French	Wednesday April 23rd, 2025	10:30am to 12:00pm ET	Register	

March 26 | "Late Payment Penalties and Interest Transition Measure Ending Soon"

The CSCB would like to remind members that the late payment penalties and interest grace period is expiring on March 31st, as noted in <u>Customs Notice 25-02</u>: <u>CARM Transition Measure – Late Payment Penalties and Interest</u>.

Effective April 1st, 2025, all accounts with an overdue balance from the March 2025 statement of account (SOA) will be subject to late payment penalties.

Effective April 4th, 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 25th, 2025.

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. Source: CSCB

March 26 | "Commercial Importers Provided 30-day Extension to Submit Financial Security Before the End of CARM Transition Period"

The CBSA has advised that in response to feedback received from stakeholders, there will be a 30-day extension to the transition period. Importers will now have until 3 am EDT on May 20th, 2025, to post their financial security in the CARM system.

Importers who do not post financial security requirements by May 20th, 2025, will no longer be able to benefit from having their goods released electronically at the border prior to making payment of the duties and taxes. Without RPP, importers will have to pay all duties and taxes at the time of arrival at a port of entry.

<u>Memorandum D17-1-8</u> provides detailed instructions for TCPs to follow in enrolling Release Prior to Payment program.

For more information, please visit: https://www.canada.ca/en/border-services-agency/news/2025/03/commercial-importers-provided-30-day-extension-to-submit-financial-security-before-the-end-of-carm-transition-period.html. Source: CSCB

For inquiries about Customs News Articles contact:

<u>Customs@fisker.ca</u>

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

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