



Ottawa, August 14, 2009

MEMORANDUM D3-1-7

In Brief

CUSTOMS SELF ASSESSMENT PROGRAM FOR CARRIERS

Memorandum D3-1-7 has been written to provide regulatory and procedural information about the Customs Self Assessment (CSA) Program for Carriers. It reflects amendments made to the *Accounting of Imported Goods and Payment of Duties Regulations*, *Reporting of Imported Goods Regulations* and *Transportation of Goods Regulations* explaining the requirements for the CSA program.



Printed in Canada



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CUSTOMS SELF ASSESSMENT PROGRAM FOR CARRIERS

This memorandum outlines and explains the authorization, reporting and transportation procedures of the Customs Self Assessment (CSA) program. Under the CSA program, an authorized carrier may report eligible goods to the Canada Border Services Agency (CBSA) using a CSA clearance process and, before release, deliver those goods in Canada directly to the place of business of an authorized importer, the owner of the goods, or a consignee of the importer.

TABLE OF CONTENTS

Guidelines and General Information	1	Authorized Carrier	16
Introduction	1	Use of an Owner-Operator (Highway)	16
Section 1 – Carrier Authorization	2	Use of Another CSA Carrier	16
CSA Application, Part I	2	Sealing Requirements	17
Eligibility Criteria	2	Trade Chain Partner List	17
Security Criterion	3	Goods Not Delivered	17
Transportation History Criterion	3	Goods Refused by Importer	18
Carrier Risk Assessment	3	Additional Information	18
Approval/Denial/Withdrawal	3	Non-registered Driver	18
Approval	3	Eligible Goods	18
Denial	4	Appendix A – Glossary	19
Withdrawal	4	Appendix B – EDI Situations	21
CSA Application, Part II	4	Appendix C – Load Specifications for Terminals, Warehouses and Owner-Operators	22
Monitoring	5	Appendix D – Bar Code Specifications for Non-EDI Highway Carriers	27
CSA-Approved Carrier Obligations	5	Appendix E – Bar Code Specifications for EDI Carriers	32
CSA Carrier Suspension and Cancellation	5	Appendix F – Exceptions to the 15-day Time Frame for Changes to the Part II Application	37
CSA Carriers – Participants Listing	6	Appendix G – Link Between the A8A Cargo Reports and the A9 Highway Conveyance Report	38
Section 2 – Reporting	6	Appendix H – 40 Day Report	39
General Information	6		
Border Verification	7		
Documentation Review	7		
Reporting Requirements	7		
Paper Reporting	7		
Highway (Service Option (SO) 497)	7		
Air, Rail, Marine (SO521)	9		
Electronic Data Interchange (EDI)	11		
Highway (SO 539 and 547)	11		
Systems Outages	12		
Air and Marine (SO 513)	13		
Rail (SO 505)	13		
Combined EDI and Paper Reporting	14		
Highway	14		
Section 3 – Transportation Of Goods	14		
Authority to Deliver	14		
Proof of Delivery	15		
Conditions for Authorization to Deliver	15		

GUIDELINES AND GENERAL INFORMATION

INTRODUCTION

1. The Customs Self Assessment (CSA) program is designed to streamline the import process from the time goods are reported to the CBSA, through to the accounting and payment of duties. The CSA program is founded on the pre-approval and authorization of the driver, carrier and importer. The carrier's business systems are used to support the report of goods and the importer's business systems are used to support the self assessment of trade data, revenue amounts and payment of duties and taxes.
2. To use Free and Secure Trade (FAST) into Canada, carriers must be authorized under the CSA program and join Partners in Protection (PIP). For additional information about FAST or PIP, refer to the CBSA Web site at www.cbsa.gc.ca.
3. There are two distinct components of the CSA program:
 - (a) CSA clearance, which includes the transportation and reporting of CSA goods; and
 - (b) CSA post-release processes, which include accounting, revenue reporting, payment of duties, and adjustment.

4. The purpose of this memorandum is to provide information and guidelines about CSA clearance. Information about CSA post-release processes is provided in Memorandum D17-1-7, *Customs Self Assessment Program for Importers*. Information about the Commercial Driver Registration Program (CDRP) can be found on the CBSA Web site.

5. Among the key concepts of the CSA program that relate to the transportation and reporting of goods are the following:

- (a) pre-approval and authorization of the carrier who transports CSA goods into Canada;
- (b) authorization of highway drivers under registration programs such as the FAST program or the CDRP;
- (c) streamlined clearance option;
- (d) authority to deliver goods;
- (e) liability of the CSA carrier until goods authorized for delivery are delivered to the place of business of the CSA importer, owner, or consignee; and
- (f) release of CSA goods upon delivery to the place of business of the CSA importer, owner, or consignee.

6. General CBSA requirements regarding the transportation and reporting of goods outside the CSA program are described in Memorandum D3-1-1, *Regulations Respecting the Importation, Transportation, and Exportation of Goods*.

7. All references to sections, subsections, and paragraphs in this memorandum are from the *Customs Act* unless otherwise stated. **A glossary of terms used in this memorandum is provided in Appendix A.**

SECTION 1 – CARRIER AUTHORIZATION

8. A streamlined clearance process is one of the essential principles of the CSA program granted to low-risk clients of the CBSA. Low-risk clients must demonstrate that they are of good character, as well as compliant with the legislation and regulations administered by the CBSA. Therefore, clients who wish to participate in the CSA program must apply to and be authorized by the CBSA. The application and approval process for importers who wish to participate as a CSA client are explained in Memorandum D17-1-7, *Customs Self Assessment Program for Importers*. The following section of this memorandum describes the application and approval process for carriers who wish to transport goods that are reported to the CBSA under a CSA clearance option for authority to deliver.

9. There is no fee for applying to the CSA program. To obtain authorization as a CSA carrier, applicants must complete a two-part application. The parts are:

- (a) **Part I**, which provides information to the CBSA to develop a client profile and assess the risk of the applicant.

- (b) **Part II**, which provides information to the CBSA to demonstrate that company systems, books and records, audit trails, internal controls, policies and procedures are in place to support CSA requirements. This step is separate from Part I to avoid having clients invest in systems design or changes before the CBSA has evaluated their risk level.

Note: Once both parts are completed, a Summary of Program Requirements shall be issued and signed by the carrier. For additional information regarding the Summary of Program Requirements, see paragraph 38.

CSA APPLICATION, PART I

10. The first step to become authorized in the CSA program is completion of Form E647, *Customs Self Assessment Program – Carrier Application – Part 1*. An electronic copy of this application is available on the CBSA Web site at www.cbsa.gc.ca under Publications and forms.

11. When completed, the application is to be signed by an authorized officer of the company and forwarded to the address listed on the application form. The completed application form is a protected document. Communication of information obtained by the CBSA is subject to section 107 of the *Customs Act*, the *Access to Information Act* and the *Privacy Act*.

12. When an application is received by the CBSA, it will be assigned to a compliance manager (CM) who will be the CSA contact point and provide ongoing guidance to the applicant throughout participation in the CSA program. Send Part 1 applications to:

Manager
 CSA Carrier Compliance
 55 Bay Street North
 6th Floor
 Hamilton ON L8R 3P7
 Canada

ELIGIBILITY CRITERIA

13. Carriers must meet the following requirements to be eligible for the CSA program.

- (a) If the carrier is an individual, the carrier ordinarily resides in Canada or the United States or, if the carrier is a partnership, the carrier has at least one partner who is an individual who ordinarily resides in Canada or the United States;
- (b) If the carrier is a corporation, cooperative or limited partnership, the carrier has its head office in Canada or the United States or operates a branch office in Canada or the United States;
- (c) The carrier must be of good character;
- (d) The carrier must be solvent;

(e) The carrier must have transported commercial goods to or from Canada at least once prior to the 90 days before the day on which the application was received;

(f) The carrier must post minimum security of \$25,000, in accordance with the *Transportation of Goods Regulations*; and

(g) The carrier's books, records and business processes must have the internal controls necessary to permit the CBSA to determine if the carrier is in compliance with the Act and its Regulations.

Security Criterion

14. As stated in subsection 20(2.1) of the Act, the CSA carrier is liable for all duties and taxes, including those goods reported under a CSA clearance option for authority to deliver, until those goods are delivered to the place of business of the importer, owner or consignee. Given this liability for CSA shipments until proof of delivery is obtained, the applicant carrier must be a bonded carrier and must post security.

15. Carriers whose head office is located in Canada or the United States may apply for authorization as a CSA carrier. To be approved for the CSA program, carriers must have a unique CBSA carrier code, must be authorized to transport goods as a bonded carrier, and must have posted security of a minimum of CAN\$25,000 before having applied to the program. Each legal entity or distinct operation must submit a separate carrier application. Where the carrier is a division of an entity that is applying to the CSA program for authorization as a CSA importer, the carrier division must apply separately for authorization as a CSA carrier. Carriers who do not have bonded status before applying for the CSA program must receive authorization to operate as a bonded carrier before their application will be reviewed. Information on obtaining bonded-carrier status with the CBSA is provided in Memoranda D3-1-1, *Regulations Respecting the Importation, Transportation, and Exportation of Goods* and D1-7-1, *Posting Security for Transacting Bonded Operations*.

Transportation History Criterion

16. In order for the CBSA to assess the risk of the applicant, a carrier who applies for CSA approval must have transported commercial goods to or from Canada at least once during the 90 days before the day on which the application was received. Operating without a bonded CBSA carrier code during this period does not exclude the applicant from the CSA program. The carrier must ensure that all non-bonded carrier codes and business names under which they have operated are provided to the CBSA when they apply.

CARRIER RISK ASSESSMENT

17. Information requested on Part I of the CSA application is used by the CBSA to assess the risk of the carrier company that is applying, including divisions, terminals in Canada,

the United States and Mexico, and warehouses that are owned or operated by the entity. Risk assessment focuses on conditions that might influence the illegitimate or unlawful entry of goods into Canada under the CSA program, or that could obstruct CBSA verification and audit activities. These conditions include, but are not limited to, the client's enforcement history with the CBSA, criminality, convictions of fraud and the past capability of the company to maintain proper books and records, provide accessibility of these records to border services officers, and the settlement of outstanding debts to the Crown.

18. As part of the risk assessment of a client, the CBSA may request a visit to the operations of the company to discuss or observe factors such as:

- (a) security of the premises;
- (b) internal controls;
- (c) company policies such as the code of conduct and hiring practices; and
- (d) training programs for transborder drivers and crew.

19. In cases where there are indications of possible risk within the operations of an applicant, or depending on a carrier's cross-border history, the CBSA may request additional information before final approval of an application.

20. The time frame for processing, completing and approving the carrier may vary from case to case, for reasons such as:

- (a) the completeness of the submitted application;
- (b) the complexity of the information submitted;
- (c) the corporate structure of the entity;
- (d) the number of warehouses and terminals operated by the carrier;
- (e) the number of CBSA offices where the carrier has dealt with the CBSA; and
- (f) the carrier's delays in submitting the required information or additional information requested/required by the CBSA.

Note: Applicants may contact their CSA CM with any inquiries about the status of their application.

APPROVAL/DENIAL/WITHDRAWAL

Approval

21. When CSA applicants have met the requirements of the Part I risk assessment, they are informed in writing and invited to continue to Part II. This notification is not final approval to participate in the CSA program. Final approval for participation is obtained only when Part II of the application process is completed successfully and the Summary of Program Requirements is signed by the approved carrier and submitted to the CBSA.

Denial

22. When clients are denied participation in the CSA program, they are notified of the decision in writing. In accordance with section 107 of the Act, the letter of notification will be sent to the attention of an authorized officer of the company.

23. Given that the CSA risk assessment might reveal sensitive matters that could jeopardize the CBSA's protection and enforcement mandate, some details relating to the denial of a company may not be given to the applicant. Provisions of the *Access to Information Act* may provide an avenue for clients' formal requests for information to which they are entitled. Disclosure of personal information held by a government institution is regulated and protected by provisions of the *Privacy Act*.

24. When the reason for denial can be given to the applicant, it may be presented so that the company and the CBSA can evaluate whether corrective action could be taken. Should the application information change in a way that could influence the company's risk assessment, the client may reapply.

25. A carrier who has been denied approval for the CSA program can make a written submission to the Minister concerning the denial. A committee consisting of senior CBSA representatives on behalf of the Minister will review the carrier's case. The written submission should be sent to the following address:

Director
Commercial Border Policy Division
Border and Compliance Programs Directorate
Admissibility Branch
150 Isabella Street, 4th Floor
Ottawa ON K1A 0L8
Canada

Withdrawal

26. Carriers wishing to withdraw their application from the CSA application process may do so at any time. They must inform the CM assigned to their file in writing. Once the carrier has submitted the withdrawal, he or she will receive written confirmation of withdrawal from the CSA application process.

CSA APPLICATION, PART II

27. For Part II of the CSA approval process, the carrier is to complete Form E656, *Customs Self Assessment Program – Carrier Part II Application*, and forward a copy signed by an authorized officer of the company to the address listed on the form. The Form E656 and instructions for completion can be obtained by contacting the assigned CM. The application is also available on the CBSA Web site under Publications and Forms.

28. The purpose of Part II is to ensure that the carrier's business systems and records will provide for and confirm the report of all goods imported into Canada, and the proof

of their delivery or alternative discharge. The carrier must demonstrate the audit trails and internal controls related to the transportation of imported goods from the initial order, to the delivery of a shipment and payment of an invoice. In addition, as described in the *Transportation of Goods Regulations*, eligibility as a CSA carrier is subject to the availability of records to prove disposition of the cargo, in accordance with sections 18 and 20 of the Act.

29. Details about the specific systems requirements for the CSA program are provided in Part II of the application. These requirements include how the carrier's systems will:

- (a) identify a CSA shipment (goods that are reported under a CSA clearance option for authorization to deliver);
- (b) identify an authorized CSA importer;
- (c) identify a registered driver;
- (d) produce a list of goods authorized for delivery that were not delivered within 40 days, including in-bond goods;
- (e) maintain a current list of owner-operators, terminals and warehouses; and
- (f) identify a CSA customer (importer) in the customer profile section of the system.

30. In Part II of the CSA application process, the applicant carrier is required to describe his or her existing business flow for an international shipment from the time an order is booked to the delivery of the goods, and the final invoicing and receipt of payment for the service. Sample documents related to the carrier's business flow are also requested to support the description, examples of which might include bills of lading, waybills, invoices, customs control documents, equipment lists, equipment usage logs, and dispatch records. This information should be supplied not later than six months after notification that Part I of the client's application has been approved.

31. With Part II, the applicant carrier is also required to provide a list, in either paper or electronic format, of approximately 25 shipments isolating Canada-bound international shipments from all other shipments. Carriers having only a 90-day history will be asked to provide a list of all Canada-bound international shipments. The following information is required.

- (a) control number i.e. invoice or PRO number, trip number, order number, etc.;
- (b) date of order or pickup and customer-delivery receipt;
- (c) date of customer-delivery receipt;
- (d) customer consignee or billing name and full address, including country;
- (e) shipper name and full address, including country;

- (f) pickup location - name, city and state;
- (g) delivery location name and address, including country.

32. The carrier will be required to supply an all-inclusive, sequentially numbered listing of northbound, southbound and domestic shipments for a specified period to ensure system integrity.

33. The specific systems requirements and processes to support the CSA program, described in Part II of the application, must be shown to be in place before approval and must be operable before the CSA clearance process can be used. An authorized officer of the company must sign the application form, as certification that the information provided is true and complete.

34. The CSA-approved carrier is required to keep audit-trail records, relating to the transportation, report and delivery of goods in hard copy or electronic form for three years, plus the current year. A penalty, which may include removal from the CSA program, may apply for failure to maintain the required audit trails.

35. It is important to note that acceptance and approval of Part II of the application does not:

- (a) signify certification of the client's business systems by the CBSA; or
- (b) exempt the client from being subject to an Administrative Monetary Penalty (AMP) that might arise, if the CSA or CBSA requirements are not met.

36. Before final CSA authorization of the carrier, the CBSA reserves the right to request information, in addition to the details provided by the carrier in Part I and Part II of the application.

37. Carriers who misrepresent the facts or provide false information on the CSA application may be assessed a penalty, denied approval for, and/or removed from the CSA program. For additional information on CSA carrier suspension, removal and cancellation, see section called "CSA Carrier Suspension and Cancellation."

38. A Summary of Program Requirements will be provided to the approved carrier upon completion and approval of Part II. This summary provides reinforcement of the obligations necessary for successful participation in the CSA Program. CSA authorization granted to a carrier that has successfully completed the CSA carrier application process is not transferable and cannot be sold, disposed of or acquired through amalgamation, change of legal personality or sale of business. The client will provide the CBSA with a signed acknowledgement of receipt of this summary. Once the signed Summary of Program Requirements is received, the CBSA will activate the carrier in the CBSA's Accelerated Commercial Release Operations Support System (ACROSS) and the carrier will be authorized to use the CSA clearance process.

39. The CM will inform carriers who do not meet all the requirements of Part II of any recommended changes. If the carrier does not make changes based on these recommendations, the CBSA may ask the applicant to withdraw from the application process or may deny inclusion in the program. This does not preclude the carrier from re-applying, should the circumstances that led to a withdrawal or denial change, now making it possible for the carrier to be compliant with all the requirements.

MONITORING

40. For a participant to maintain good standing in the CSA carrier program, the assigned CM must monitor that participant regularly. This process will verify that each CSA-approved carrier is fulfilling all CSA obligations and determine if an action plan or direction is required.

41. The purpose of the monitoring process is to ensure that:

- (a) all CSA obligations have been met under Section 32(2)(b) of the Act and all relevant regulations;
- (b) the approved CSA client is knowledgeable about the operational requirements of the program;
- (c) an action plan will be implemented, if required;
- (d) any existing action plans are evaluated;
- (e) any warranted Administrative Monetary Penalties (AMP) for non-compliance are issued, if required;
- (f) continued participation or removal from the program can be determined; and
- (g) the client remains low risk.

Note: The Administrative Monetary Penalties specific to the requirements of a CSA carrier can be found on the CBSA Web site at www.cbsa.gc.ca. CSA carriers are not exempt from other generic penalties that may also apply.

CSA-APPROVED CARRIER OBLIGATIONS

42. CSA participation requires ongoing communication and updates of data between the approved carrier and the assigned CM. Using the parameters agreed upon by the client and the CM during Part II of the CSA application process, updates of these lists, or nil reports will be supplied to the assigned CM in the applicable format. The CSA carrier is required to inform the CM of changes to information provided in the application within 15 days after the change. See Appendix F for a table of exceptions to the 15-day time frame.

43. Approved carriers are required to submit information as described in the section called "Goods Not Delivered" of this document, for any shipment not delivered within 40 days of receiving **authority to deliver** or being **in bond**. The assigned CM should be notified in writing immediately. This obligation applies whether the CSA program or any other reporting process was used.

CSA CARRIER SUSPENSION AND CANCELLATION

44. The CBSA may suspend or cancel a CSA authorization if:

- (a) the authorization has been obtained on the basis of false or misleading information;
- (b) the CSA carrier no longer meets the requirements under subsection 10.5(1);
- (c) the CSA carrier becomes insolvent; or
- (d) the CSA carrier so requests.

45. If the CBSA decides to suspend or cancel a CSA authorization, the CBSA must:

- (a) give a written notice to the CSA carrier that sets out the reasons for the decision; and
- (b) give the CSA carrier the opportunity to make written appeal concerning the decision.

46. Written appeals must be submitted within 90 days of the date of suspension to:

Director
Commercial Border Policy Division
Border and Compliance Programs Directorate
Admissibility Branch
150 Isabella Street, 4th Floor
Ottawa ON K1A 0L8
Canada

47. The suspension or cancellation of a CSA authorization is effective on either:

- (a) the day on which the notice is received; or
- (b) the 15th day after the day on which the notice is sent by mail or courier or delivered by hand.

CSA CARRIERS – PARTICIPANTS LISTING

48. As a service to our clients, the CBSA publishes a listing of carriers approved to the CSA program on the CBSA Web site under Importers; Importer programs; Customs Self Assessment; and then Approved Carriers.

49. The carriers listed are those who have agreed to have their company name posted on the CBSA Web site. Therefore, that list may not include all CSA-approved carriers.

SECTION 2 - REPORTING

GENERAL INFORMATION

50. While the obligation to report goods under section 12 of the Act is not altered under the CSA program, the related specific reporting requirements are changed to support the streamlined CSA clearance process. CSA clearance is used to request the authority to deliver eligible commercial goods that are imported by an importer who is authorized under the CSA program.

51. A distinctive feature of the CSA environment is that cargo documents are not required to clear CSA shipments. However, when requested by a border services officer, the reporting CSA carrier must provide satisfactory evidence concerning the discharge of goods imported into Canada. The CSA carrier is required to have the records, systems, audit trails and linkages in place to support the CSA process.

52. Carriers and importers who are authorized under the CSA program have demonstrated that they are low-risk clients. To validate their authorization, the following information is required under CSA clearance:

- (a) the CSA **carrier's identification** by presentation of that carrier's four-character carrier code in approved bar-code format;
- (b) the CSA **importer's identification** by presentation of that importer's 15-digit business number (BN) in approved bar-code format; and
- (c) the **registered driver's identification** number in highway mode.

53. The intent of CSA clearance is to facilitate the direct delivery of eligible goods to the importer, owner or consignee, and the focus is on frontier reporting and processing at the Primary Inspection Line (PIL).

54. Given that interim accounting is not required as a condition for release in the CSA environment, a release package is not required for goods reported under CSA clearance. Nevertheless, the CSA carrier is required to have supporting transportation documents on hand at the time of report. These documents are not required for presentation, unless requested by a border services officer to confirm information such as:

- (a) a general description of the goods;
- (b) the place of loading;
- (c) the number of pieces and their weight; or
- (d) the name and address of the consignee.

55. Given that some goods may not be eligible for CSA clearance (e.g. subject to Other Government Department (OGD) requirements or shipped to Canada from outside the United States or Mexico), the importer is advised to have a process in place to inform the CSA carrier in writing or electronically which goods will be reported under CSA. The option used to report goods to the CBSA affects the related reporting requirements and the liability of the carrier.

56. Goods that are not eligible for CSA clearance must be reported to the CBSA using an alternate release option or move inland in bond. The requirements for these reporting options are not changed as a result of the importer being authorized under the CSA program, except that appraisal

quality (AQ) invoice data does not have to be presented unless required by an OGD or requested by a border services officer. If a border services officer requests the AQ, the client is required to present a paper copy and cannot transmit the AQ electronically.

57. The carrier must provide CSA importers, or their designated broker(s), with a report providing sufficient information to facilitate the importers' accounting obligations to the CBSA. The carrier, at the final destination, must obtain proof of delivery to close the contract to deliver the shipment.

BORDER VERIFICATION

58. The CBSA continues to reserve the right to examine shipments and conveyances that enter Canada. Occasionally, the CBSA may refer a CSA shipment for verification activities such as:

- (a) documentation review;
- (b) contraband examination;
- (c) cab check; or
- (d) random examinations.

Documentation Review

59. Documentation reviews may be performed by the CBSA before CSA goods receive authority to deliver to verify the eligibility of the goods reported under a CSA clearance option. The CBSA may put the request to the CSA carrier or the CSA importer. The documentation review is intended to verify whether the goods reported under the CSA program are prohibited, controlled or regulated, and whether the goods were shipped to Canada from the United States or from Mexico, are imported by an approved importer and are destined for an approved consignee location. Examples of the types of documents that might be requested for review are the bill of lading, the carrier pro-bill or shipping manifests.

60. To assess risk for admissibility or eligibility for CSA clearance, the following types of information might be requested:

- (a) a description of the goods;
- (b) the quantity (number, volume or weight as circumstances dictate);
- (c) the place where goods were loaded onto the conveyance;
- (d) the name and address of the consignee; and/or
- (e) the name and address of the shipper/vendor.

61. When the carrier fails to provide the information requested by a border services officer to make a determination for admissibility or CSA eligibility, an alternate method of report must be made and a penalty may apply.

62. The following subsections of this memorandum describe the requirements of the CSA clearance options used to report goods for "authority to deliver" before release.

REPORTING REQUIREMENTS

63. Goods that enter Canada are reported to the CBSA for authority to deliver. The report may be provided by Electronic Data Interchange (EDI) or paper format. When the report is provided in paper format, the CSA reporting requirements are minimal. Presentation of a cargo control document is not required when goods are reported under CSA clearance.

64. Under CSA clearance, presentation of the CSA-approved carrier's bar code together with the CSA-approved importer's bar code, either individually or on a lead sheet, represents a written report of CSA goods. Failure to report goods under CSA clearance using the required bar codes may result in a penalty. Appendix D of this memorandum provides information on the non-EDI bar code CSA specifications and testing requirements. Bar code testing is mandatory in Part II of the application process. The bar-code specifications for EDI carriers are in Appendix E.

PAPER REPORTING

Highway (Service Option (SO) 497)

65. Goods entering Canada by highway must be reported to the CBSA for authority to deliver at the first point of arrival (FPOA).

DATA REQUIREMENTS

66. Bar codes must be scanned in the formats indicated under each service option. For information regarding EDI arrival for highway carriers, please refer to paragraph entitled Highway (SO 539 and 547).

SINGLE CSA IMPORTER – SINGLE CSA SHIPMENT

67. The following mandatory information is required for the Authority to deliver eligible goods under Service Option (SO) 497, CSA Highway Paper:

Reporting requirements:

- (a) CSA carrier code bar code
- (b) CSA importer BN bar code
- (c) Driver registration card

SINGLE CSA IMPORTER – MULTIPLE CSA SHIPMENTS

68. Where a carrier has more than one shipment aboard a conveyance for the same approved importer, only one bar code is required for that importer's BN. The reporting requirements for goods going to a single importer are the same, whether there is one or multiple CSA shipments in the conveyance for that importer.

Reporting requirements:

- (a) CSA carrier code bar code
- (b) CSA importer BN bar code
- (c) Driver registration card

MULTIPLE CSA IMPORTERS – MULTIPLE CSA SHIPMENTS

69. Where a CSA carrier has CSA shipments for multiple importers in the same conveyance, a separate BN bar code is required for each CSA importer at the time of report. The carrier bar code and the driver registration card need be presented once only. For example:

Reporting requirements:

- (a) CSA carrier code bar code
- (b) CSA importer #1 bar code
- (c) CSA importer #2 bar code
- (d) CSA importer #3 bar code
- (e) Driver registration card

Note: Each importer will be processed as a separate passage.

MIXED LOADS (CSA WITH NON-CSA)

70. A conveyance that contains goods for CSA clearance may also include goods that are not eligible for CSA clearance. In this case, the fundamental requirements for goods that are reported under CSA clearance – CSA carrier, CSA importer, registered driver – are not waived.

71. Goods aboard a conveyance that are ineligible for CSA clearance are to be reported using an existing alternative release option (i.e. PARS, RMD etc.), following the requirements of that option.

72. In the CSA environment, one feature affecting alternative non-CSA release options is that AQ invoice information is not required, unless there is a specific OGD requirement for release. While an AQ invoice is not required, other documentation required as part of a particular release package remains unchanged, for example, a cargo control document, commercial invoice, transaction number, permits, certificates, etc. This only pertains to shipments for CSA-approved importers. If a border services officer requests the AQ, the client is required to present paper and cannot transmit the AQ electronically.

USE OF A SECONDARY CSA CARRIER

73. Where the primary authorized CSA carrier subcontracts another authorized CSA carrier to report goods under CSA clearance, the carrier code of the secondary CSA carrier is also required in bar-code format, in addition to the carrier code of the primary CSA carrier.

Reporting requirements:

- (a) CSA primary carrier code bar code
- (b) CSA importer BN bar code
- (c) Driver registration card
- (d) CSA secondary carrier code bar code
- (e) Letter of authorization

TRACKING SHIPMENTS

74. Carriers having Release Notification System (RNS) capability may trace their shipments transported into Canada, through RNS by providing a cargo control number (CCN), which is also referred to as a transport document number (TDN), as a shipment identifier. Where provided, the shipment identifier must be in bar-code format and a separate bar-code number is required for each shipment for which the carrier requires an RNS message. When CSA carriers present a bar code shipment identifier at the time of report, they will receive an **authority to deliver** message for each shipment reported under CSA clearance.

75. The number used as a shipment identifier is to be unique for three years, plus the current year, and consist of no more than 25 characters with the first four characters being the carrier code of the authorized CSA carrier. Given that the carrier code of the CSA carrier is included as the first four characters of the bar code of the CCN/TDN, a separate carrier bar code is not required. To receive the RNS message **authority to deliver** for individual shipments, the following must be provided in the format noted below:

Reporting requirements:

- (a) CCN/TDN including CSA carrier code
- (b) CSA importer BN bar code
- (c) Driver registration card

76. Where shipments for more than one CSA importer are reported under CSA clearance, the presentation of CCN/TDN identification numbers should be grouped by CSA importer numbers. The CADEX system produces a Notification of Release Report, using the transaction number as a key field clients need to remember. They will not receive notification of release for CSA shipments, as the key field for identification of the release is the CCN/TDN. The only system that reports the CSA shipment status is the RNS.

77. Where the CSA carrier chooses to include the CCN/TDN information, a CSA reference may be included in the bar code as a means of distinguishing CSA and non-CSA reports. Where the bars for CSA are included in the bar code, they constitute part of the 25 allowable characters, and the word CSA may also be printed on the bar code. For example:

XXXXCSA890123456789012345

Carrier Code	CSA	Remaining carrier
assigned	Reference	CNN/TDN characters

78. It should be noted that the CSA carrier **must not** use a PARS bar code for CSA shipments.

FACILITATED CLEARANCE AT PIL

SERVICE OPTION (SO) CODE

79. To facilitate clearance of the CSA shipment, the CSA reporting carrier has the option of presenting the CSA service option code, **00497** (five digits with leading zeros required), in bar-code format on the lead sheet, as part of the information to be scanned into ACROSS at the time of report. Where the CSA carrier does not provide the service option code, a border services officer will input the code at PIL. Where the carrier provides the service option, it should be the first bar code presented:

Reporting requirements with SO:

- (a) Service option bar code (00497)
- (b) CSA carrier code bar code
- (c) CSA importer BN bar code
- (d) Driver registration card

MEANS OF PRESENTING BAR CODES

80. While not a mandatory requirement, it is suggested that the use of a lead sheet with the appropriate bar codes attached will facilitate processing at the PIL. Other means of presenting the bar-code information could be by having laminated bar codes or having the bar-code information printed on commercial documents carried by the driver. The CSA lead sheet is used to report goods for authority to deliver. Regardless of which option is used, a CSA identifier is to be used.

EXAMINATION OF FREIGHT

81. Examination of highway mode freight may occur at the frontier, or inland at the carrier's suffrance warehouse in the case of mixed loads. In all cases, the CBSA determines when an examination is necessary and where it will be conducted. At the final destination, the carrier will obtain a proof of delivery to close the contract to deliver the shipment.

PASSAGE HISTORY

82. The CSA clearance process is based on pre-approval of the importer, carrier and driver. The status of each of these participants is captured in ACROSS for validation. When a carrier arrives at the border and reports goods for **authority to deliver**, the CSA clearance process requires that the status of each participant be validated. Upon validation that all

three participants are authorized, the goods are **authorized for delivery**.

83. In the CSA paper-highway scenario, cargo information is not required or captured. Instead, a passage history is captured for each cross-border report of goods under CSA clearance. This report consists of the carrier code, importer BN, driver registration number, date, time, and CBSA port of entry into Canada.

84. Given that real-time automated support is required to validate the status of the importer, carrier and driver before goods are authorized for delivery, and to capture the passage history, CSA clearance is not available at CBSA non-terminal offices (NTOs) or inland.

85. Bar codes must be scanned in the formats indicated under each service option. For information regarding EDI arrival for highway carriers, please see paragraph 106.

Air, Rail, Marine (SO 521)

DATA REQUIREMENTS

86. CSA clearance is available for eligible goods when entering Canada by authorized CSA air, rail or marine carriers. The reporting process and requirements for these modes are similar to highway mode. The following information is required in bar-code format:

Minimum reporting requirements:

- (a) TDN or CCN including CSA carrier code bar code
- (b) CSA importer BN bar code

A cargo control document is not needed.

SINGLE CSA IMPORTER – SINGLE CSA SHIPMENT

87. The following mandatory information is required for the **authority to deliver** for CSA-eligible goods under Service Option (SO) 521, CSA Air, Rail, Marine paper:

Reporting requirements:

- (a) TDN or CCN including CSA carrier code bar code
- (b) CSA importer BN bar code

SINGLE CSA IMPORTER – MULTIPLE CSA SHIPMENTS

88. Where a CSA importer has more than one shipment aboard a conveyance for CSA clearance, only one bar code for that importer's BN is required. The reporting requirements for goods going to a single importer are the same, whether there is one or multiple CSA shipments in the conveyance for that importer.

Reporting requirements:

- (a) TDN or CCN including CSA carrier code bar code
- (b) CSA importer BN bar code

MULTIPLE CSA IMPORTERS – MULTIPLE CSA SHIPMENTS

89. Where a CSA carrier has CSA shipments for multiple importers in the same conveyance, a separate BN bar code is required for each CSA importer at the time of report. The carrier bar code need be presented once only. For example:

Reporting requirements:

- (a) TDN or CCN including CSA carrier code bar code
- (b) CSA importer #1 bar code
- (c) CSA importer #2 bar code
- (d) CSA importer #3 Bar code

Each importer will be processed as a separate passage.

MIXED LOADS (CSA WITH NON-CSA – LESS THAN TRUCKLOAD)

90. A conveyance that contains goods for CSA clearance may also include goods that are not eligible for CSA clearance. In this case, the fundamental requirements for goods that are reported under CSA clearance – CSA carrier, CSA importer – are not waived.

91. Goods aboard a conveyance that are not eligible for CSA clearance are to be reported using an existing alternative release option, following the requirements of that option.

92. In the CSA environment, one feature affecting alternative non-CSA release options is that AQ invoice information is not required, unless there is a specific OGD requirement for release. Where an AQ invoice is not required, other documentation requirements as part of a particular release package remain unchanged, for example a cargo control document, commercial invoice, transaction number, permits, certificates, etc.

USE OF A SECONDARY CARRIER

93. Should the authorized CSA carrier use another CSA carrier to transport goods into Canada using CSA clearance, the bar-coded carrier code of the secondary carrier is mandatory. In this case, the mandatory bar codes are:

Minimum reporting requirements:

- (a) TDN or CCN including carrier code of the primary CSA carrier
- (b) CSA importer BN bar code
- (c) Carrier code of secondary CSA carrier

94. Crew members are subject to the normal reporting requirements of the mode by which they enter Canada. However, crews do not have to be authorized under the Commercial Driver Registration Program (CDRP) as a condition for reporting goods under CSA clearance for **authority to deliver**.

TRACKING SHIPMENTS

95. Carriers having RNS capability may trace their shipments transported into Canada, through RNS by providing a CCN, also referred to as a TDN, as a shipment identifier. Where provided, the shipment identifier must be in bar-code format and a separate bar-code number is required for each shipment for which the carrier requires an RNS message. When CSA carriers present a bar-code shipment identifier at the time of report, they will receive an **authority to deliver** message for each shipment reported under CSA clearance.

96. The number used as a shipment identifier is to be unique for three years, plus the current year, and consist of no more than 25 characters with the first four characters being the carrier code of the authorized CSA carrier. Given that the carrier code of the CSA carrier is included as the first four characters of the bar code of the CCN/TDN, a separate carrier bar code is not required. To receive the RNS message **authority to deliver** for individual shipments, the following must be provided in the format noted below:

Reporting requirements:

- (a) CCN/TDN including CSA carrier code
- (b) CSA importer bar code

97. Where shipments for more than one CSA importer are reported under CSA clearance, the presentation of CCN/TDN identification numbers should be grouped by CSA importer numbers. Given that a transaction number is not captured, the RNS message is not transmitted to CADEX participants.

FACILITATED CLEARANCE AT PIL

MEANS OF PRESENTING BAR CODES

98. To facilitate processing by the CBSA, it is advisable, but not mandatory, to submit the bar-code information on a CSA lead sheet. Where the carrier has prepared cargo control documents (CCDs) for CSA shipments aboard the conveyance, the CCDs may also be attached to the bar-code information and/or lead sheet. An optional bar code to identify the service option (**00521** – five digits with leading zeros) may be provided by the carrier to expedite the CSA clearance process.

Reporting requirements with Service Option:

- (a) Service option bar code (00521)
- (b) TDN or CCN including CSA carrier code
- (c) CSA importer BN bar code

99. When the bar-code information is presented to the CBSA, it is input into ACROSS and the border services officer will render a decision either to **authorize delivery** of the goods or to refer the shipment. Where a TDN or CCN is presented and the goods are authorized for delivery, an RNS message will be generated to the carrier. Given that a transaction

number is not presented at time of report, the importer will not receive the message via the CADEX Notification of Release Report.

100. The CSA bar-code report, including the three mandatory data elements, is presented to the CBSA at the following places, according to mode:

- (a) CSA air courier – At destination airport
- (b) CSA air – At first point of arrival (first airport of landing)
- (c) CSA rail – At the first CBSA office where rail service is provided, otherwise at first point of arrival
- (d) CSA marine, for laker and coastal marine traffic from the United States – First point of arrival

EXAMINATION OF FREIGHT

101. Examination of air mode freight occurs at the air carrier's sufferance warehouse. In all cases, the CBSA determines when an examination is necessary and where it will be conducted. The carrier, at the final destination, will obtain proof of delivery to close the contract to deliver the shipment.

PASSAGE HISTORY

102. The CSA clearance process in non-highway modes is based on pre-approval of the importer and carrier. The status of each of these participants is captured in ACROSS for validation. When a carrier arrives and reports goods for **authority to deliver**, the CSA clearance process requires the status of each participant to be validated. Upon validation that all participants are authorized, the goods are **authorized for delivery**.

103. Given that real-time automated support is required to validate the status of the importer and carrier before goods are **authorized for delivery**, and to capture passage history, CSA clearance is not available at CBSA non-terminal offices (NTOs) or inland.

ELECTRONIC DATA INTERCHANGE (EDI)

104. All EDI carriers must transmit cargo and conveyance reports according to the time frames established by the mode of transport.

105. As with all CSA clearance options, where the conveyance contains goods that are reported to the CBSA for **authority to deliver**, the carrier and the importer must be authorized CSA clients.

106. CSA-approved carriers may transmit their report to the CBSA for **authorization to deliver** CSA eligible goods by EDI. Refer to the CSA Carrier Participants Requirement Document (PRD) a chapter of the Electronic Commerce Client Requirements Document (ECCRD) for information about the required data elements, EDI message maps and code tables. The CSA Carrier PRD of the ECCRD is

available by contacting the CBSA Electronic Commerce Unit at **1-888-957-7224**.

Highway (SO 539 and 547)

107. Transmission of EDI highway cargo and conveyance reports must be received and processed by the CBSA at least **one hour** before reaching the FPOA. EDI highway cargo and conveyance reports may be presented up to 30 days before arrival. However, if the cargo is not used after 30 days, the cargo data must either be resubmitted, or cancelled by the carrier.

108. Highway carriers using EDI to submit reporting information to the CBSA, must transmit two interrelated reports:

- (a) the EDI Highway Cargo Report A8A, (**539** – individual shipment details), and
- (b) the EDI Highway Conveyance Report A9 (**547** – which links all individual shipments for each passage into Canada).

CARGO REPORT (PRE-ARRIVAL)

109. The EDI highway cargo report A8A provides details for each shipment on the conveyance, and consists of information similar to the hard copy Form A8A, *Cargo Control Document*, with the addition of CSA specific elements such as the BN of the authorized CSA importer. A complete list of data elements required to be transmitted to the CBSA as part of the EDI cargo report can be found in the ECCRD CSA Carrier PRD message maps.

CONVEYANCE REPORT (PRE-ARRIVAL)

110. The conveyance report not only provides details about the conveyance itself, but is also used to list all related cargo. See Appendix G for a table demonstrating how the A8A *Cargo Reports* link to the A9 *Highway Conveyance Report*.

111. In the EDI environment, at least one cargo report number must be listed on the related conveyance report. A maximum of 999 cargo report numbers can be listed on a single conveyance report. If even one cargo report related to the conveyance report contains a discrepancy, the entire conveyance report will be rejected.

BORDER REPORT

112. When the corresponding cargo and conveyance reports have been transmitted using EDI and accepted by the CBSA, it is mandatory that the driver provide the following information in bar-code format at the PIL when the conveyance arrives at the border:

Reporting requirements:

- (a) Service option 547
- (b) Conveyance report number including the carrier code

(c) Driver registration card

113. The conveyance report number is to be the same as the conveyance number used to identify the EDI conveyance report with the carrier code as the first four characters.

MIXED LOADS (LESS THAN TRUCKLOAD)

114. An authorized EDI CSA carrier may report all goods aboard a conveyance electronically. Non-CSA goods that are not released at the FPOA may proceed to a licensed special operating (SO) warehouse or another sufferance warehouse pending release. The carrier is not required to have CSA goods aboard the conveyance to benefit from the inland movement to the SO warehouse.

115. Authorized CSA EDI carriers may apply for a type SO sufferance warehouse licence for EDI freight. Information on applying for a type SO warehouse licence can be found in Memorandum D4-1-4, *Customs Sufferance Warehouses*. The approval of a SO warehouse licence is dependent on regional operational requirements in that region.

116. Where a conveyance arrives at the PIL and contains a shipment for which a PARS report is in an invalid status (commonly referred to as “failed PARS”), that shipment may, at the carrier’s request, be allowed to proceed to the carrier’s SO warehouse. Although no further documentation is required, the CBSA must make a manual port code change at the frontier for the conveyance to proceed.

Note: The carrier must make a written request for destination port code change before the change is made.

117. Non-CSA goods not released at the FPOA must be electronically arrived at the SO warehouse. Upon receipt of an RNS message, the goods may be delivered. Should a shipment be referred for examination, the goods must be backhauled to the highway sufferance warehouse or other designated facility. Goods that are authorized for delivery at the frontier CBSA office may be delivered en route to the CSA carrier’s SO warehouse.

USE OF A SECONDARY CARRIER

118. When primary CSA carriers use a secondary carrier to transport goods on their behalf, the carrier code of the secondary carrier is also required in bar-code format. All other rules pertaining to secondary carriers apply.

119. For an overview of EDI scenarios, refer to Appendix B.

TRACKING SHIPMENTS

120. Carriers having RNS capability may trace their shipments transported into Canada, through RNS by providing a CCN, which is also referred to as a TDN, as a shipment identifier. Where provided, the shipment identifier must be in bar-code format. A separate bar-code number is required for each shipment for which the carrier requires an RNS message.

When CSA carriers present a bar-code shipment identifier at the time of report, they will receive an **authorized for delivery** message for each shipment reported under CSA clearance.

121. The number used as a shipment identifier is to be unique for three years, plus the current year, and consist of no more than 25 characters with the first four characters being the carrier code of the authorized CSA carrier. Given that the carrier code of the CSA carrier is included as the first four characters of the bar code of the CCN/TDN, a separate carrier bar code is not required. To receive the RNS message **authority to deliver** for individual shipments, the following must be provided in the format noted below:

Reporting requirements:

- (a) CCN/TDN including CSA carrier code
- (b) CSA importer bar code
- (c) Driver registration card

122. Where shipments for more than one CSA importer are reported under CSA clearance, the presentation of CCN/TDN identification numbers should be grouped by CSA importer numbers. Given that a transaction number is not captured, the RNS message is not transmitted to CADEX participants.

FACILITATED CLEARANCE AT PIL

MEANS OF PRESENTING BAR CODES

123. It is mandatory to submit the bar-code information on a CSA lead sheet. The CSA lead sheet must be approved by a CBSA CM before CSA approval.

EXAMINATION OF FREIGHT

124. If an examination is required at the FPOA, the carrier will not be allowed to proceed inland until the examination has been completed.

PASSAGE HISTORY

125. The CSA clearance process is based on pre-approval of the importer, carrier and driver. The status of each of these participants is captured in ACROSS for validation. When a carrier arrives at the border and reports goods for **authority to deliver**, the CSA clearance process requires the status of each participant to be validated. Upon validation that all three participants are authorized, the goods are **authorized for delivery**.

126. Given that real-time automated support is required to validate the status of the importer, carrier and driver before goods are authorized for delivery, and to capture passage history, CSA clearance is not available at CBSA NTOs or inland.

Systems Outages

CBSA UNPLANNED OUTAGE

127. If the CBSA experiences an outage at the time of an EDI carrier arrival, the border services officer will review paper bills of the cargo on board to determine if an examination is required. The border services officer will keep the conveyance bar code and a copy of the driver's registration. If no examination is required, the driver will be authorized to deliver the goods. When the system returns, the border services officer at the frontier will scan the conveyance bar code into the system.

128. If the driver has a copy of the conveyance bar code, the driver should indicate "CBSA SYSTEM DOWN AT TIME OF REPORT."

CBSA PLANNED OUTAGE

129. The CBSA will advise EDI participants when a planned outage is scheduled. Carriers requiring additional information should contact the Electronic Commerce Unit hotline at **1-888-957-7224**.

CARRIER OUTAGE

130. In most cases, the carrier will have a planned outage and be prepared to revert to paper reporting. However, on occasion, carriers will experience an outage beyond their control (e.g. virus shut-down, weather, etc.). Carriers are required to revert to paper as soon as they are aware of transmission problems. The following provides guidance for situations that may arise due to the carrier's system experiencing an outage.

CARRIER TRANSMITTED ALL DATA BEFORE OUTAGE

131. In cases where the carrier has successfully transmitted all data (cargo – 539 linked to appropriate conveyances – 547) and received acknowledgements before the outage, the CBSA will be able to process the driver at the border as EDI.

CARRIER TRANSMITTED PARTIAL DATA BEFORE OUTAGE

132. In cases where the carrier's partial or complete cargo data (539) and not the conveyance (547) data were transmitted to the CBSA, the driver must report the cargo and conveyance manually by presenting a bar-code consist list, along with supporting documents (e.g. A8A, bills of lading, etc.).

IN-BOND CARGO DURING CARRIER OUTAGE

133. Carriers will be required to submit handwritten manifests for in-bond cargo during a carrier outage. The carrier will be required to indicate the letters "EDI" on the manifest with an additional message such as "CARRIER OUTAGE". No penalty will be issued if presented without a bar code in this case, but the cargo number must be the same as the one reported before the outage. The importer will then be able to submit a paper RMD to obtain release of the cargo.

Air and Marine (SO 513)

134. CSA-authorized carriers in air and marine modes may use the RNS EDI arrival message both to effect CSA clearance and to "arrive" the shipment via EDI. In air mode, the transmission of EDI cargo and conveyance reports must be received and processed by the CBSA once the plane is "wheels up." In marine mode, the transmission of EDI cargo and conveyance reports must be received and processed by the CBSA a minimum of 24 hours before reaching the first point of arrival. EDI cargo and conveyance reports may be presented up to 30 days before arrival. However, if the cargo is not used after 30 days, the cargo data must either be resubmitted or cancelled by the carrier.

135. The RNS arrival message includes:

- (a) CSA importer BN;
- (b) CCN (including a CSA carrier code);
- (c) Release office; and
- (d) Warehouse office.

136. Periodically, these requests for CSA clearance will be subject to a random documentation review whereby the carrier will be required to provide a copy of the commercial documentation (bill of lading/manifest) to effect clearance. Otherwise, an **authority to deliver** message will be returned.

137. For example, once an aircraft is "wheels up," the carrier transmits the CSA arrival message. The system processes the request and returns a reject, refer or "**authority to deliver**" message to the participant.

138. As a transaction number is not transmitted with the request, CADEX participants will not receive electronic notification of goods authorized for delivery. For additional information about the CSA RNS arrival message, refer to the CSA Carrier PRD. The CSA Carrier PRD of the ECCRD is available by contacting the CBSA Electronic Commerce Unit at **1-888-957-7224**.

139. Details of the EDI 931 arrival option can be found in section 2.8 of the CSA Carrier PRD.

Rail (SO 505)

140. Where a rail carrier transports goods reported under CSA clearance into Canada, the goods may be reported using the CSA non-highway paper option (521). Alternatively, EDI rail carriers may report the goods under CSA clearance for automated authority to deliver (SO 505) by using EDI transmission as described in Memorandum D3-6-6, *Rail Cargo – Import Movements*. For information about the CSA EDI requirements and message maps, refer to the CSA Carrier PRD, including Appendix B, EDI Message Maps and Code Tables. Transmission of the cargo information for CSA goods is the same as for non-CSA goods with the exception of the following two record formats:

- (a) the addition of code M5 as a qualifier specific to CSA goods that are imported by a CSA-authorized importer; and
- (b) the addition of the CSA importer's BN where CSA goods are reported.

141. Where rail shipments of CSA goods have arrived, the transmitted RNS message is linked to the CCN or TDN of the CSA shipment and will read, **authority to deliver**, when the goods are not referred for examination.

TRACKING SHIPMENTS

142. Carriers having RNS capability may trace their shipments transported into Canada, through RNS by providing a CCN, which is also referred to as a TDN, as a shipment identifier. Where provided, the shipment identifier must be in bar-code format. A separate bar-code number is required for each shipment for which the carrier requires an RNS message. When CSA carriers present a bar-code shipment identifier at the time of report, they will receive an **authority to deliver** message for each shipment reported under CSA clearance.

143. The number used as a shipment identifier is to be unique for three years, and consist of no more than 25 characters with the first four characters being the carrier code of the authorized CSA carrier. Given that the carrier code of the CSA carrier is included as the first four characters of the bar code of the CCN/TDN, a separate carrier bar code is not required. To receive the RNS message **authority to deliver** for individual shipments, the following must be provided in the format noted below:

Reporting requirements:

- (a) CCN/TDN including CSA carrier code
- (b) CSA importer bar code

144. Where shipments for more than one CSA importer are reported under CSA clearance, the presentation of CCN/TDN identification numbers should be grouped by CSA importer numbers.

FACILITATED CLEARANCE AT PIL

EXAMINATION OF FREIGHT

145. If an examination is required at the FPOA, the CSA carrier will not be allowed to proceed inland until the examination has been completed.

146. Examination of air mode freight occurs at the air carrier's sufferance warehouse. In all cases, the CBSA determines when an examination is necessary and where it will be conducted.

PASSAGE HISTORY

147. The CSA clearance process in non-highway modes is based on pre-approval of the importer and carrier. The

status of each of these participants is captured in ACROSS for validation. When a CSA carrier arrives and reports goods for **authority to deliver**, the CSA clearance process requires the status of each participant to be validated. Upon validation that all participants are authorized, the goods are **authorized for delivery**.

148. Given that real-time automated support is required to validate the status of the importer and carrier before goods are **authorized to deliver**, and to capture passage history, CSA clearance is not available at CBSA NTOs.

COMBINED EDI AND PAPER REPORTING

149. Carriers may, on occasion, be required to report goods via both paper and EDI. This situation occurs most frequently in highway mode.

Highway

150. The driver must present a paper manifest to the CBSA to report cargo in the event that the (539) cargo is not electronically linked to a (547) conveyance.

151. For all paper processes, the driver will make the initial declaration at the PIL, then report inside to the CBSA office and present the EDI lead sheet and the paper release requests. The CBSA will first process the conveyance bar code, then the paper release requests (e.g. E29B, FIRST, OIC, Value Included Entries, ETA, etc.).

152. This manner of reporting must be at the primary office, not at the PIL booth. Paper manifests may not be presented at the PIL.

153. A mix of non-CSA shipments reported by EDI may use the process above in addition to presenting paper lead sheets for CSA (SO497). It is at the officer's discretion to process both the electronic record of EDI shipments and the paper report of CSA shipments at the PIL. Should the border services officer determine that the processing of both types of clearances at the PIL would take too long; the driver will be referred to the front counter at the frontier office.

SECTION 3 – TRANSPORTATION OF GOODS

154. To transport goods into Canada that are reported to the CBSA under CSA clearance, the carrier must hold an authorization issued by the CBSA. Details on how to apply for authorization as a CSA carrier are provided in Section 1 of this memorandum.

155. Under the CSA program, the requirement to report goods to the CBSA in accordance with section 12 of the Act does not change. A fundamental feature of the CSA program, however, is that once CSA eligible goods are reported, they are authorized for delivery by the CBSA, and may be delivered directly to the place of business of the importer, owner or consignee **before** release occurs. Release of goods authorized for delivery, as described under subsection 2(1) of the Act means, "**to receive the goods at the place of business of the importer, owner or consignee.**"

Intermediary locations, as designated by the CSA importer, constitute a consignee. Release will occur at these locations and the release date will be the date the goods were received at the intermediary location.

AUTHORITY TO DELIVER

156. The legislative keystone of the CSA program is subsection 32(2)(b) of the Act, which allows for the release of goods before accounting, when those goods have been authorized for delivery to, and have been received at, the place of business of the importer, owner or consignee.

157. The influence of subsections 32(2)(b) and 2(1) of the Act is that the CSA importer **is not** required to provide accounting or interim accounting for the release of imported goods authorized for delivery. Instead, goods are reported using minimal requirements, and release is effected by the receipt of the goods at the place of business of the importer, owner or consignee.

158. Under the CSA program, given that the release of goods does not occur until those goods are received, the carrier is notified at the time of report that the goods are authorized for delivery to the importer, owner or consignee. Subsection 19(1.1) of the Act provides authority for the carrier to deliver goods or cause them to be delivered before release, provided that the goods are authorized for delivery to a place of business of the importer, owner or consignee.

159. The status of a shipment authorized for delivery is like an in-bond movement and the carrier who reports goods, which have not been released, is liable for the payment of duties and taxes. In accordance with subsection 20(2.1) of the Act, the carrier's liability for duties is not removed unless the goods authorized for delivery are:

- (a) destroyed while being transported;
- (b) received in a CBSA office, bonded warehouse or duty free shop;
- (c) designated as ships' stores by regulations made under paragraph 99(g) of the *Customs Tariff*, received on board a conveyance of a class prescribed under that paragraph for use on the conveyance in accordance with regulations made under that paragraph;
- (d) exported; or
- (e) received (released) at the place of business of the importer, owner or consignee.

160. In accordance with section 28(1) of the Act, the liability of the CSA carrier for duties on goods transported into Canada under CSA clearance for authority to deliver is not removed by entering the goods into a sufferance warehouse. However, liability for duties and taxes transfers to the sufferance warehouse operator on receipt of the goods:

- (a) where goods transported by the CSA carrier are not reported under CSA clearance; or

(b) where the CSA importer refuses delivery of CSA goods, the carrier may remanifest the goods to qualify under section 20(2) (e.g. non-CSA).

161. Information about sufferance warehouses is provided in Memorandum D4-1-4.

162. Further clarification on goods not delivered can be obtained under paragraph 188 of this memorandum.

PROOF OF DELIVERY

163. Given that the receipt of goods authorized for delivery represents the release of those goods, the liability for duties and taxes transfers to the importer when the goods are delivered. The reporting CSA carrier, therefore, is required to obtain and keep proof of delivery to the place of business of the importer, owner or consignee for each shipment for which the carrier has prepared a separate waybill or pro-bill. This requirement applies, regardless of the use of secondary carriers to transport goods internationally or domestically within Canada. Reporting CSA carriers need to ensure that they have a process in place, with applicable audit trails, to prove ultimate delivery.

164. Among the requirements for the carrier reporting goods authorized for delivery is the requirement to keep records relating to proof of delivery to the importer, owner or consignee. The following examples may provide proof of delivery, and can be in hard copy or electronic format:

- (a) a signed delivery receipt for goods delivered, including an electronic signature;
- (b) the carrier's receipt of payment for the transportation and delivery of the goods; or
- (c) third party payments provided there is an audit trail for each specific shipment, showing that the goods were delivered and their transportation paid.

165. In addition to proof of delivery, the carrier who transports goods into Canada is required to keep records relating to the transportation of the goods, such as bills, accounts and statements, and the description of the goods. The format of the records may be electronic, but must relate back to source documents and be provided, when requested by a border services officer, in an accessible and readable copy.

166. The records of a carrier who transports goods into Canada, including goods authorized for delivery, must be kept for three years, plus the current year, beginning on January 1 of the year following the calendar year in which the goods were transported into Canada. For example, if goods are transported into Canada in 2001, then the carrier is to keep the related records until December 31, 2004. For additional information on CSA record-keeping requirements, refer to paragraph 7(2) of the *Regulations Amending the Transportation of Goods Regulations*.

167. Carriers may be subject to administrative monetary penalties for failure to retain and/or provide records related to CSA and non-CSA goods.

168. Once commercial goods reported for authority to deliver are delivered to the place of business of the importer, owner or consignee, the CSA-approved importer is required to keep records that relate to the receipt of those goods.

CONDITIONS FOR AUTHORIZATION TO DELIVER

169. The following conditions must be met for authority to deliver:

- (a) the driver in the conveyance transporting the goods into Canada is registered to CDRP, or, in the case of a FAST driver, all persons in the vehicle must be registered;
- (b) the carrier transporting the goods into Canada is an authorized CSA carrier;
- (c) the importer of the goods is an authorized CSA importer;
- (d) the goods are reported to the CBSA under section 12 of the Act;
- (e) the goods are eligible for CSA clearance; and
- (f) the goods must be destined for delivery to a valid CSA consignee, approved by the CSA importer.

170. Where a condition for CSA clearance cannot be met, for example, the importer, carrier or driver is not authorized, or the goods are not eligible, the goods must be reported using an existing alternate option such as RMD or the PARS.

AUTHORIZED CARRIER

171. To obtain authorization under the CSA program, the carrier must apply to the CBSA, as described in Section 1 of this memorandum. Only authorized carriers may transport eligible goods into Canada and report those goods under a CSA clearance option for **authority to deliver** before release. In highway mode, the driver must have authorization under a driver registration program such as CDRP or FAST.

172. There are two situations in which the authorized CSA carrier may use an alternative carrier to transport CSA goods into Canada. These are:

- (a) where the authorized CSA carrier uses an owner-operator under the circumstances described below; or
- (b) where the authorized CSA carrier (referred to as the primary carrier) uses a second authorized CSA carrier (referred to as the secondary carrier) under the circumstances described in section 2.

Use of an Owner-Operator (Highway)

173. The authorized CSA highway carrier may use an owner-operator to report goods using CSA when:

- (a) the owner-operator is operating under a dedicated equipment contract with the authorized carrier;
- (b) the authorized CSA carrier identifies the owner-operator to the CBSA as part of the carrier's TCP profile; and
- (c) the driver is registered.

174. Where the authorized CSA carrier uses an owner-operator to transport goods into Canada under CSA clearance, the carrier code of the authorized CSA carrier must be presented to the CBSA in bar-code format.

175. Under the CSA program, the definition of owner-operator specifically corresponds to the following description:

Owner-Operator – A person who owns and operates transportation equipment, and has a written contract to provide equipment exclusively to a CSA carrier.

176. The key points in the description of an owner-operator are the existence of a contractual agreement and the dedicated use of equipment. Owner-operators meeting this definition are essentially an extension of the authorized CSA carrier as shown in the following examples:

- (a) the contracted equipment may exhibit the logo of the primary CSA carrier;
- (b) the contracted equipment is part of the equipment list of the primary CSA carrier;
- (c) drivers are trained on and subject to the policies and procedures of the CSA primary carrier; or
- (d) the CSA primary carrier dispatches, keeps all records and has control over the drivers and dedicated equipment for the duration of the contract.

177. While the preceding points provide examples of the relationship between the carrier and the owner-operator, the owner-operator must have a copy of the contractual agreement in the conveyance as proof of the relationship when operating across the border on behalf of a CSA carrier.

Use of Another CSA Carrier

178. To report goods under CSA clearance, CSA carriers may authorize only another CSA-authorized carrier to use their carrier code. In this situation, the following guidelines apply:

- (a) The carrier code of the CSA carrier who assumes liability for the goods, the primary CSA carrier, is presented in bar-code format as the primary carrier code. Regardless of who transports the goods into Canada, the primary carrier is responsible for maintaining the books and records for each shipment and maintains liability for duties and taxes, until the goods are delivered to the place of business of the importer, owner or consignee. The carrier code of the subcontracted CSA carrier, the secondary CSA carrier,

who transports the goods into Canada on behalf of the primary CSA carrier, must also be presented in bar-code format as the secondary carrier code.

(b) The secondary CSA carrier is required to have a letter of authorization from the primary CSA carrier (See D3-4-2, Appendix, Letter of Authorization). In addition, the driver must have a copy of the letter in his possession at the time of report.

179. The primary carrier and secondary carrier must both be CSA-approved for the secondary carrier to report CSA goods on behalf of the primary CSA carrier. If the goods are reported as CSA eligible and the secondary carrier is not an authorized CSA carrier, the primary carrier may be penalized and will be required to use another clearance process.

180. Within Canada, the CSA shipment may be transferred to a domestic carrier that is not CSA approved for furtherance to the place of business of the importer, owner or consignee. Given that the inland movement is like an in-bond movement, the primary carrier is responsible for maintaining the books and records for each shipment and remains responsible for the duties and taxes, regardless of the inland transfer to other carriers. Therefore, although the CSA goods are transferred, the reporting CSA carrier is still required to provide ultimate proof of delivery to the importer, owner or consignee when requested by the CBSA.

Sealing Requirements

181. Similar to a post-audit highway carrier, the requirement to seal a conveyance, container or compartment transported inland by an authorized CSA carrier is removed. The goods transported by the authorized carrier do not have to be eligible for CSA clearance. However, sealing of the conveyance or container may continue where goods aboard the conveyance are identified by the CBSA as high risk (e.g. tobacco, alcohol, weapons, etc). The carrier's terminal may be used for break-bulk, to allow direct delivery of CSA shipments, as well as released shipments in situations where other goods aboard the conveyance require reporting to the highway sufferance warehouse for CBSA purposes.

Trade Chain Partner Lists

182. Carriers who apply to and hold authorization under the CSA program are required to provide and update profile information on specific TCPs to the CBSA, namely:

- (a) Terminals and warehouses in the United States and Canada that are owned or operated by the carrier and are used for the transfer of international freight; and
- (b) Owner-operators, under written contract to provide their equipment exclusively to the CSA carrier, who transport CSA shipments into Canada for the CSA carrier.

183. The number of records provided to the CBSA determines the presentation format of the TCP lists. The file specifications are provided in Appendix C of this memorandum. Multiple

diskettes or zipped diskettes will not be accepted and large files must be submitted on disk or CD-ROM. Format specifications for the electronic transmission of TCP lists, including subsequent updates, are provided in the CSA Carrier PRD, a chapter of the ECCRD.

184. As of December 29, 2006, all CSA EDI carriers are required to transmit all TCPs via EDI. Carriers are also required to have the TCP file updated with their current TCP data via EDI. EDI carriers will ensure the TCP data are transmitted whenever there is an update/change required. The requirements are outlined in detail in the CSA Carrier PRD of the ECCRD, including the EDI maps on how to build and transmit the TCP updates.

185. Where the CSA carrier fails to keep or provide the CBSA with a list of terminals, warehouses that they own or operate, and authorized owner-operators, a penalty may be assessed.

186. Carriers applying for CSA authorization must provide a list of all Canadian and United States terminals and warehouses that they own or operate with Part I of their application, as these operations are subject to the risk assessment of the carrier entity. When the carrier is authorized under CSA, he or she is also responsible for providing ongoing maintenance or updates of the list, including additions and deletions, to sustain the risk management of CSA shipments. The CM and carrier will agree on the frequency of updating the lists during Part II of the application process.

187. CSA carriers are required to provide a list of owner-operators to identify those who they have authorized to transport CSA goods into Canada on their behalf. If an owner-operator is not identified on the TCP list for reporting goods into Canada under CSA clearance, the CSA carrier may be assessed a penalty.

188. The CSA carrier applicant must provide a list of authorized owner operators to the CBSA before final CSA authorization. The list must then be updated as agreed with the CM. In particular, additions to the owner-operator list are to be submitted before the carrier, reporting goods under CSA clearance, arrives in Canada.

GOODS NOT DELIVERED

189. When goods authorized for delivery or taken in bond are not delivered to the place of business of the importer, owner or consignee within 40 days of the date of report, the CSA carrier is required to provide the CBSA with a report of the goods not delivered. To establish the 40-day time period, the date of report refers to the first date that the goods are reported to the CBSA. For example, the date of report for CSA clearance is the date that the carrier is notified by the CBSA of the authority to deliver.

190. Goods authorized for delivery or taken in bond but not delivered within 40 days must be reported in writing to the attention of the carrier's CM as soon as the 40 days has

elapsed. The information may be submitted by paper, disk or email, as agreed by the carrier's CM. Failure to provide the CBSA with the report of goods not delivered may result in a penalty. For an example of the information required for the goods not delivered within 40 days, see Appendix H.

191. A carrier who reports goods under CSA clearance for authority to deliver is required to keep records relating to goods delivered and goods not delivered to the place of business of the importer, owner or consignee. These record-keeping requirements are, therefore, relevant to information about goods not delivered within 40 days. In addition, carriers need to ensure that their internal systems will identify all goods not delivered within 40 days of the initial report.

Goods Refused by Importer

192. In those instances where the CSA importer refuses delivery of a shipment, the condition for CSA release at the time of receipt at the place of business of the importer, owner or consignee is not met. It is the CSA carrier's responsibility to maintain audit trails, including refused shipments. The CSA carrier maintains liability until the goods are lawfully disposed of, in accordance with section 20 (2.1) of the Act.

Additional Information

193. Additional information on the delivery of goods not released can be found in Memorandum D3-1-1, *Regulations Respecting the Importation, Transportation and Exportation of Goods*.

NON-REGISTERED DRIVER

194. CSA highway carriers requesting CSA clearance for CSA-eligible goods are required to use a registered driver.

195. Situations may arise where a CSA-approved carrier transports CSA-eligible goods across the border, using a driver that is not authorized under the CDRP or FAST programs. A penalty may be assessed by the CBSA against the carrier for using a driver not registered in CDRP or FAST to report goods under CSA clearance. Where the driver has forgotten his or her card, the penalty will not be assessed. However, the driver will be delayed until the status of his or her authorization is verified. CSA clearance should not be used if all the conditions are not met.

196. Where the CSA carrier is issued a penalty for failing to use a registered driver to transport goods into Canada under CSA clearance, the carrier may appeal the penalty.

197. In the case of CDRP, while an authorized driver does not have to operate the vehicle at the time of report, an authorized driver must be in the vehicle and it is his or her registration number that will be captured in ACROSS to complete passage history information. Non-registered drivers in the vehicle will be subject to normal admissibility questioning. Passengers who are non-team drivers (e.g. family members) will be treated as travellers and asked

normal primary questions by a border services officer. The CBSA strongly discourages non-registered individuals from accompanying a registered driver, as this will increase the likelihood of the CSA shipment being referred for examination, thereby slowing down the processing time.

198. In order to use FAST passage, all occupants in the vehicle must have a valid FAST driver registration card. Any non-registered members will be subject to full CBSA questioning and/or examination.

ELIGIBLE GOODS

199. Not all goods imported by a CSA importer are eligible for report under a CSA clearance option for authority to deliver before release. To enter Canada under a CSA clearance option, the goods must not be a prohibited, controlled or regulated import into Canada. Further, the goods cannot be subject to the release requirements of OGDs. An additional requirement is that the goods must be shipped directly to Canada from within the United States as noted on the carrier's bill of lading. Goods that are shipped to Canada through the United States from a third country without first entering the United States economy are not eligible for CSA clearance (i.e. in-transit shipments). Carriers and importers are advised to confirm with their CM the eligibility of goods that first enter a United States foreign trade zone (FTZ) before shipment to Canada.

200. Eligible goods are defined under the *Accounting for Imported Goods and Payment of Duties Regulations* as:

“Commercial goods that have been shipped directly from the United States or Mexico and there is no requirement under any Act of Parliament or of the legislature of a province or any regulation made under such Act that a permit, licence or other similar document be provided to the CBSA before the goods are released.”

201. In exceptional cases, the CSA importer may enter into an agreement with an OGD to waive normal release requirements until after the goods have entered Canada. Such agreements will be flagged in the CBSA systems and the carrier should have written instructions regarding the eligibility of the goods from the importer.

202. Where the CSA carrier reports ineligible goods for clearance under a CSA clearance option, the carrier may be assessed a penalty. In cases where written evidence is found to substantiate that the importer instructed the carrier to report the ineligible goods under a CSA clearance option, the penalty is assessed against the importer. Separate penalties apply where a secondary carrier is not authorized or the driver does not hold CDRP or FAST authorization.

203. For information or clarification on Customs Self Assessment, contact the Border Information Service (BIS) line at **1-800-461-9999**. If you are calling from outside Canada, you can access BIS by calling 204-983-3500 or 506-636-5064 (long-distance charges will apply).

APPENDIX A

GLOSSARY

ACROSS	Accelerated Commercial Release Operations Support System
Act	<i>Customs Act</i>
AMPS	Administrative Monetary Penalty System
Authorized Officer	A person holding legal signing authority for the company that is applying for authorization under CSA.
Authorized to Deliver	The status of a CSA shipment that allows the carrier to deliver the goods directly to the place of business of the importer, owner or consignee where the importer and carrier are authorized. In highway mode, the driver is registered in a driver registration program. The carrier is liable for duties until the importer, owner or consignee receives the goods.
Bonded Carrier Code	A unique four-character identifier issued by the CBSA used to identify a specific carrier who has posted a bond and has been authorized to operate as a bonded carrier.
Border Services Officer	These are officers who were formerly designated as customs officers, immigration officers and food inspection officers.
Business Number (BN)	A 15-character alphanumeric identifier assigned by the Canada Revenue Agency to identify a business. The BN consists of a nine-digit registration number and six-character account identifier. For example: 123456789RM0002 • The registration number 123456789 identifies the legal entity • The account identifier RM0002 identifies an importing/exporting division or branch of the legal entity.
CADEX	Customs Automated Data Exchange
Carrier/Transporter	A person who, in accordance with the <i>Transportation of Goods Regulation</i> , is authorized to transport goods or to cause goods to be transported.
Carrier Code	A unique four-digit identifier issued by the CBSA to identify a specific carrier.
CCN	Cargo Control Number
Commercial Driver Registration Program (CDRP)	A voluntary CBSA program to register commercial truck drivers and allow them to participate in the CSA program. Drivers that meet the qualifications of the program become registered drivers and receive a photo identification card.
Commercial Goods	Goods imported into Canada for sale or for any commercial, industrial, occupational, institutional or other like use.
CSA	Customs Self Assessment
CSA Carrier	A carrier that holds a CSA authorization.
CSA Clearance	A function performed by the CBSA that provides authorization to move inward from the CBSA's control. Under the CSA, the clearance process occurs at the first point of arrival and provides the carrier with authorization to deliver goods to the place of business of the importer, owner or consignee before to release. (This is not to be confused with CSA release of the goods that occurs when the goods are delivered.)
CSA-Eligible Goods	Eligible goods means commercial goods that have been shipped directly from the United States or Mexico. With respect to both classes of goods, there is no requirement under any Act of Parliament or of the legislature of a province, or any regulation made under such Act for a permit, licence or other similar document to be provided to the CBSA before the goods are released.
CSA Importer	An importer that holds a CSA authorization.
CSA Shipment or Goods	Goods that are eligible to enter Canada under a CSA service option, which are imported by an authorized importer and transported into Canada using an authorized carrier. In the case of commercial highway conveyances, the driver is to be registered under the CDRP or FAST.
CSA Release	The date on which goods of the authorized importer are physically received on site, at the place of business of the importer, owner or consignee, regardless of when the goods are actually received into inventory.
Compliance Manager (CM)	The CBSA officer assigned to each CSA applicant to guide clients through the application and approval process, monitor and manage compliance, and act as an ongoing contact for CSA clients.
Division	A branch of a company that is not separately incorporated.

EDI	Electronic Data Interchange
FAST	Free and Secure Trade
Fleet Operator	An owner-operator (see definition) who owns more than one piece of equipment, which is dedicated to a CSA carrier by a written contractual agreement.
FPOA	First Point of Arrival
FTZ	Foreign Trade Zone
LTL	Less than Truckload
OGD	Other Government Department
Owner-operator	A person who owns and operates transportation equipment, and has a written contract to provide equipment exclusively to a CSA carrier.
Participant Requirements Document (PRD)	A document containing EDI message maps, supporting data element glossaries and code tables, used for systems programming.
Primary Carrier	The CSA-approved carrier who assumes liability for the goods, and maintains liability for duties and taxes until the goods are delivered to the place of business of the importer, owner or consignee. The primary carrier maintains the audit trail and books and records pertaining to the CSA shipment. Liability for the CSA shipment is controlled by use of the primary carrier's carrier code at the time of report.
PIL	Primary Inspection Line
Registered Driver	A driver who has qualified for and received a CDRP or FAST card.
Secondary carrier	The CSA-approved carrier who transports the goods into Canada on behalf of the primary CSA carrier. Secondary carriers are required to carry a letter of authorization from the primary CSA carrier, and present both the primary carrier's carrier code, and their own carrier code at time of report.
Service Option (SO)	A numeric identification used in the CBSA's system to identify a specific clearance program.
Shipment	Goods that are carried into Canada under a single transport document such as a Bill of Lading (BOL) or waybill.
Special Operating Type Sufferance Warehouse (SO Warehouse)	A type S sufferance warehouse, as described in Memorandum D4-1-4, <i>Customs Sufferance Warehouses</i> , used for the storage of specific goods.
Trade Chain Partner (TCP)	An enterprise that is directly involved in the importation or cross-border movement of goods imported or transported by a CSA importer. TCP names are captured in CBSA systems as part of an ongoing risk process and verification of the legitimacy of a shipment. The TCPs of the importer include United States and Mexico vendors and consignees in Canada that receive direct shipments. For CSA carriers, the related TCPs include terminals and warehouses operated by the carrier and owner-operators contracted to the carrier.
Terminals and Warehouses	Locations owned or controlled by the carrier company, where international freight is accessed, deconsolidated or consolidated, stored or transferred.
Transport Document Number (TDN)	A cargo control number assigned by a carrier.
United States Goods	Goods imported from the United States, not having been trans-shipped through the United States from a third country, and not having exited from a United States FTZ without having undergone a further operation or process while within the FTZ. United States goods may include goods originating in the United States or goods, which have legally entered the commerce of the United States.

APPENDIX B

EDI SITUATIONS

The table below provides an overview of possible EDI situations and the related processes. In all cases, the carrier is authorized under CSA.

Clearance Method	Driver Status	At PIL	Inland
CSA	Driver is to be registered. Otherwise, penalty is assessed	- Cargo automatically arrived - Goods authorized for delivery or referred for examination	- Goods authorized for delivery may be delivered to place of business of the importer, owner or consignee
PARS with CSA goods on the conveyance (Cargo report to and from a frontier office)	Driver is to be registered. Otherwise, penalty is assessed	- Goods in recommend release status are automatically arrived and adjusted to released status - Conveyance is authorized to move	- Carrier arrives the goods at an SO or Sufferance Warehouse - Goods in released status may be delivered
PARS with no CSA goods on the conveyance (Cargo report to and from a frontier office)	Driver is not required to be registered.	As above	As above
Failed PARS, INPARS or in bond with CSA goods on the conveyance (Cargo report from frontier to an inland office)	Driver is to be registered. Otherwise, penalty is assessed	- Goods in recommend release status are not automatically arrived or adjusted to released status - Conveyance with no frontier examination message attached is authorized to move - Destination port will require change from frontier to inland.	- Conveyance may move to SO (or sufferance warehouse) - Carrier may arrive the goods at SO - Goods in released status may be delivered - Goods not in released status remain at SO pending CBSA release
Failed PARS, INPARS or in bond with no CSA goods on the conveyance (Cargo report to and from a frontier office)	Driver is not required to be registered to proceed to an SO warehouse.	As above	As above

APPENDIX C

LOAD SPECIFICATIONS FOR TERMINALS, WAREHOUSES AND OWNER-OPERATORS

Customs Self Assessment Program Trade Chain Partner Flat File Specifications

As part of the Customs Self Assessment (CSA) application and approval process, carriers must submit an inventory of their trade chain partners to the CBSA, as follows:

- A list of terminals and warehouses owned and/or operated by the applicant carrier must accompany the Part I CSA application; and,
- A list of the owner-operators that the carrier intends to use for CSA clearance must be submitted to the CBSA during Part II of the application process.

The following outlines the medium on which the list of terminals and warehouses must be submitted:

Number of Terminals and Warehouses	Medium to be Used
Less than 25	Include in writing on Part I application
Between 25 and 1,000	Diskette or CD Rom
Between 1,001 and 6,000	CD Rom
More than 6,000	Magnetic Tape

The following outlines the medium on which the list of owner-operators must be submitted:

Number of Owner-Operators	Medium to be Used
Less than 25	Include in writing during Part II
Between 25 and 1,000	Diskette or CD Rom
Between 1,001 and 6,000	CD Rom
More than 6,000	Magnetic Tape

The following instructions are for carriers who have more than 25 terminals and warehouses, and/or more than 25 owner-operators to submit to the CBSA.

MEDIA SPECIFICATIONS

It is important that the media submitted conform to the media specifications outlined below. Submissions that do not conform to the specifications and cannot be uploaded to CBSA systems will be returned to the applicant carrier. This will lead to delays in the application and approval process.

If a diskette is being submitted, please indicate in writing on the diskette the name of your company, whether terminals and warehouses or owner-operators are saved on the diskette, and the name of the file.

If a CD Rom is being submitted, please indicate in writing on the CD Rom the name of your company, whether terminals and warehouses or owner-operators are on the CD Rom, and the name of the file.

Also, the CD Rom **must:**

- be compact disk recordable, CD-R (i.e. write once);
- have a disk density of either 640 MB or 700 MB; and,
- be properly closed.

If a magnetic tape is being submitted, please indicate in writing on the magnetic tape or an attachment the following:

- the company name;
- whether terminals and warehouses, or owner-operators are on the magnetic tape;
- the name of the file;
- whether the tape is round or square;
- if applicable, whether the tape is 18 or 36 tracks; and,
- the tape number of the magnetic tape.

Also, the magnetic tape **must**:

- be standard label (SL);
- be round (3420) or square (3480/3490); and,
- have a tape density of 6520 bpi, or 18 or 36 tracks.

Note: One file with multi-volume tapes with only one header and one trailer can be copied, up to a maximum of eight volumes.

FLAT FILE SPECIFICATIONS

It is important that the information provided on diskette, CD Rom, or magnetic tape, conform to the flat file specifications outlined below. Only flat files in fixed-length records with a .txt extension, with all fields left aligned, can be accepted by the CBSA and uploaded into CBSA systems. Submissions that do not conform to the specifications and cannot be uploaded to CBSA systems will be returned to the applicant carrier. This will lead to delays in the application and approval process.

The CBSA will not manipulate submissions to conform to the flat file specifications. Should corrections or updates to submissions be required, the CBSA cannot accept them by e-mail.

Flat files consist of the following:

- a header record;
- data records; and,
- a trailer record.

Header Record

The file must begin with a header record, which must be 450 bytes (i.e. 450 characters, including spaces). All the fields listed below are mandatory at the specified length. Complete the header record with a hard return (i.e. press 'enter').

Field	Data Element	Length	Specifications
1	Record Identifier	2 numeric	Must be '01'
2	Carrier Code	4 alphanumeric	Must be valid carrier code of CSA carrier applicant
3	Filler	444 spaces	444 spaces

Example: If your carrier code were 30AA, the header would be 0130AA followed by 444 spaces. **Do not fill with zeros.**

Data Records

TERMINAL AND WAREHOUSE RECORDS

Each line (i.e. each terminal and/or warehouse record) must contain 450 bytes (i.e. 450 characters, including spaces). All the fields listed below are mandatory at the set length specified. Any unused characters must be spaces. At the end of each line, include a hard return (i.e. press 'enter').

Field	Data Element	Length	Specifications	Example
1	Record Identifier	2 numeric	Must be '05'	05
2	Carrier Code	4 alphanumeric	Must be valid carrier code of CSA carrier applicant	30AA
3	Address Line 1	30 alphanumeric	Must have at least two alphanumeric, one of which must be numeric; Will accept punctuation and symbols	1234 Apple Drive
4	Address Line 2	30 alphanumeric	Will accept punctuation and symbols	Suite 6
5	City	30 alphanumeric	Must have at least two characters; Will accept punctuation and symbols	Calgary

Field	Data Element	Length	Specifications	Example
6	Province/State Code	2 alpha	A valid province or state code is mandatory; See reference table attached	AB
7	Country Code	2 alpha	Must be a valid country code of either 'CA' for Canada, 'US' for the United States or MX for Mexico	CA
8	Postal/Zip Code	10 alphanumeric	Must be a valid postal or zip code; Do not include spaces between alphanumeric characters in a postal code	N9D7H4
9	Business Name	175 alphanumeric	Must be at least two alphanumeric; Will accept punctuation and symbols	Burt's Terminal
10	Filler	165 spaces	Must fill with 165 spaces	165 spaces

OWNER-OPERATOR RECORDS

Each line (i.e. each owner-operator record) must contain 450 bytes (i.e. 450 characters, including spaces). All the fields listed below are mandatory at the set length specified. Any unused characters must be spaces. At the end of each line, include a hard return (i.e. press 'enter').

Note: An owner-operator is defined as a person who owns and operates transportation equipment, and has a written contract to provide equipment exclusively to a CSA carrier.

At least one of the following owner-operator data elements is required or the file will be rejected:

- Owner-operator carrier code (Field 3); or
- Owner-operator surname and given name (Fields 10 and 11); or,
- Owner-operator business name (Field 12)

However, where the owner-operator is an individual driver, please include the owner-operator code, if the owner-operator has one (Field 3), the surname (Field 10), the given name (Field 11) and, if applicable, the business name (Field 12), and/or, where the owner-operator is a fleet operator, please include the owner-operator code, if the owner-operator has one (Field 3), and the business name (Field 12).

Field	Data Element	Length	Specifications	Example
1	Record Identifier	2 numeric	Must be '04'	04
2	Carrier Code	4 alphanumeric	Must be valid carrier code of CSA carrier;	30AA
3	Owner-operator Carrier Code	4 alphanumeric	Must be valid carrier code of owner-operator; If owner-operator does not have a carrier code insert four spaces	7ZZZ
4	Address Line 1	30 alphanumeric	Must have at least two characters, one of which must be numeric; Will accept punctuation and symbols	88 128 th Street
5	Address Line 2	30 alphanumeric	Will accept punctuation and symbols	Unit 456
6	City	30 alphanumeric	Must have at least two characters; Will accept punctuation and symbols	New York
7	Province/State Code	2 alpha	A valid province or state code is mandatory; See reference table attached	NY
8	Country Code	2 alpha	Must be a valid country code of either 'CA' for Canada, or 'US' for the United States	US
9	Postal/Zip Code	10 alphanumeric	Must be a valid postal or zip code; Do not include spaces between alphanumeric characters in a postal code.	12345

Field	Data Element	Length	Specifications	Example
10	Individual's Surname	50 alphanumeric	If applicable, a surname is required; If not applicable, insert 50 spaces	Smith
11	Individual's Given Name	30 alphanumeric	If applicable, a given name is required; If not applicable, insert 30 spaces	John
12	Owner-operator's Business Name	175 alphanumeric	Must be at least two alphanumeric characters; Will accept punctuation and symbols	Smith's Trucking Inc.
13	Filler	81 spaces	Must fill with 81 spaces	81 spaces

TRAILER RECORD

The file must end with a trailer record, which must be 450 bytes (i.e. 450 characters, including spaces). All the fields listed below are mandatory at the specified length. Any unused characters must be spaces. **Do not include a hard return at the end of the trailer record (i.e. do not press 'enter')**.

Field	Data Element	Length	Specifications
1	Record Identifier	2 numeric	Must be '99'
2	Number of Records	9 numeric	The number of records (e.g. Number of terminals and warehouses) in the file, including the header and trailer records. This number must have preceding zeros (e.g. 000000076)
3	Filler	439 spaces	439 spaces

Example: If you had 74 terminals and warehouses in the file, with the header and trailer records, the trailer would be 99000000076 followed by 439 spaces. **Do not fill with zeros.**

REASONS FOR REJECTION OF FLAT FILE SUBMISSIONS

Submissions will be **rejected** if:

- The header record does not exist, is duplicated or is found elsewhere in the file;
- The header record does not begin with '01';
- The four-character carrier code is not valid with the CBSA;
- The header or trailer record does not have exactly 450 characters, including spaces;
- No terminal and warehouse, or owner-operator records exist (i.e. no data records were provided);
- The terminal and warehouse, or owner-operator records are not exactly 450 characters, including spaces;
- The business name is duplicated;
- There is a space in the postal code;
- The data in each field are not left aligned;
- The trailer record does not exist, is duplicated or is found elsewhere in the file;
- The trailer record does not begin with '99';
- The total record count does not equal the count in the trailer record, including the header and trailer records;
- The record count field is not nine digits (e.g. '000000076'); and/or
- There is a hard return after the trailer.

PROVINCE/STATE CODE REFERENCE TABLE

Province/Territory	Code	Province/Territory	Code
Alberta	AB	Northwest Territories	NT
British Columbia	BC	Nunavut	NU
Manitoba	MB	Ontario	ON
New Brunswick	NB	Prince Edward Island	PE
Newfoundland and Labrador	NF	Quebec	QC
Nova Scotia	NS	Saskatchewan	SK
		Yukon Territory	YK

State	Code	State	Code
Alaska	AK	Mississippi	MS
Alabama	AL	Montana	MT
Arkansas	AR	North Carolina	NC
Arizona	AZ	North Dakota	ND
California	CA	Nebraska	NE
Colorado	CO	New Hampshire	NH
Connecticut	CT	New Jersey	NJ
District of Columbia	DC	New Mexico	NM
Delaware	DE	Nevada	NV
Florida	FL	New York	NY
Georgia	GA	Ohio	OH
Hawaii	HI	Oklahoma	OK
Iowa	IA	Oregon	OR
Idaho	ID	Pennsylvania	PA
Illinois	IL	Rhode Island	RI
Indiana	IN	South Carolina	SC
Kansas	KS	South Dakota	SD
Kentucky	KY	Tennessee	TN
Louisiana	LA	Texas	TX
Massachusetts	MA	Utah	UT
Maryland	MD	Virginia	VA
Maine	ME	Vermont	VT
Michigan	MI	Washington	WA
Minnesota	MN	Wisconsin	WI
Missouri	MO	West Virginia	WV
		Wyoming	WY

APPENDIX D

BAR CODE SPECIFICATIONS FOR NON-EDI HIGHWAY CARRIERS

Customs Self Assessment Program Bar-Code Specifications for Non-EDI Highway Carriers

The following instructions and guidelines are for **highway carriers who do not use Electronic Data Interchange (EDI)** to meet the CBSA's clearance requirements. If you are a carrier that uses EDI to meet the CBSA's clearance requirements, please refer to Appendix E – Bar-code Specifications for EDI Carriers.

CUSTOMS SELF ASSESSMENT CLEARANCE

The Customs Self Assessment (CSA) clearance process is available to CSA-approved importers, CSA-approved carriers and drivers registered with the Commercial Driver Registration Program (CDRP) or the Free and Secure Trade (FAST) program.

DATA ELEMENTS FOR CSA CLEARANCE

Mandatory Data Elements

In order to clear CSA/FAST eligible goods using the CSA clearance process, the approved CSA/FAST carrier **must** provide the following three mandatory bar-coded data elements when the goods arrive:

- – CSA-approved carrier's carrier code;
- – CSA-approved importer's business number; and,
- – The registered driver's CDRP or FAST photo-identification card provided by the CBSA.

In addition to the three mandatory data elements outlined above, if a CSA-approved carrier has sub-contracted the transportation of CSA eligible goods to another CSA-approved carrier, the carrier code, in the bar-coded format of the secondary carrier, **must** also be provided when the goods arrive.

Optional Data Elements

In addition to the mandatory data elements for CSA clearance, the following bar-coded data elements **may** be provided when the goods arrive:

- – CSA service option number; and/or
- – Transportation document number.

DATA ELEMENT DEFINITIONS AND USE

Mandatory Data Elements

CSA-approved Carrier's Carrier Code: This is the unique four-character bond number issued by the CBSA to a carrier. The four-character carrier code may contain both alpha and numeric characters (e.g. 9999 or 99AA). It is used to identify a specific carrier as a CSA-approved participant. This is a **mandatory** data element for CSA clearance. (N.B. If a carrier chooses to use the optional Transport Document Number, a separate carrier code bar code is not needed because the TDN includes the CSA-approved carrier's carrier code.)



9999

CSA-approved Importer's Business Number: This is a 15-character number issued by the CBSA to an importer. The 15-character number comprises nine numeric characters, the letters RM, and four numeric characters. There are no spaces between the characters (e.g. 123456789RM0001). This number is used to identify a specific importer as a CSA-approved participant. This is a **mandatory** data element for CSA clearance. (N.B. Carriers should contact their CSA-approved importer clients or the logistics company working on behalf of the importer to obtain importer bar codes or obtain the importer's business number so that the carrier can produce the bar codes.)



123006789RM0001

Secondary Carrier Code: This is the unique four-character bond number issued by the CBSA to a carrier. The four-character carrier code may contain both alpha and numeric characters (e.g. 9999 or 99AA). It is used to identify a specific carrier as a CSA-approved participant. This is a **mandatory** data element when primary CSA-approved carriers hire another CSA-approved carrier to transport CSA-eligible goods on their behalf using a letter of authority.



9988

Optional Data Elements

CSA Service Option: This is the five-digit code used by the CBSA to identify the service option being used to clear shipments. With most service options (e.g. PARS), the border services officer keys in the service option code upon the arrival of goods. This will continue with the CSA clearance process. However, if a carrier chooses to prepare and present the service option in bar-coded format for CSA clearance, it may facilitate the clearance of goods. This is an **optional** data element.

For non-EDI carriers using CSA clearance in the highway mode, the CSA service option number is 00497.



00497

Transport Document Number: This is a unique reference number generated by CSA-approved carriers who want to track CSA shipments by distinctly numbering the shipments. This is an option, which is necessary to receive release notification system (RNS) messages for individual shipments. The total number of characters that can be included in the transportation document number is 25 and the first four characters **must** be the four-character carrier code. No transportation document number can be duplicated for a three-year period. The transportation document number is an **optional** data element. (N.B. If a CSA-approved carrier chooses to prepare and present a transport document number, a separate carrier code bar code is not required.)



99991234567890

PRESENTATION OF THE BAR-CODED DATA ELEMENTS

It is the approved CSA/FAST carriers' responsibility to present the mandatory bar codes to the CBSA in a valid format when reporting the shipment.

The CBSA strongly recommends that carriers produce and use a lead sheet, or control document to present the bar-coded data elements. Using this lead sheet will make it easier for border services officers to scan the bar-coded data elements and facilitate the clearance of goods.

There is no size specification for the lead sheet. However, the mandatory bar codes being presented must include headings or titles as in the attached samples, and the size specifications of the bar code itself must be followed.

The border services officer does not retain the lead sheet. In most cases, it is scanned and returned to the driver.

This lead sheet **may** be laminated. It is recommended that a lead sheet, which is intended for re-use and multiple crossings, be laminated to increase its durability and readability.

The optimum presentation format is a lead sheet of document, which contains, in the order described, all the mandatory bar codes, either printed or on labels. If it is not possible for a carrier to use a lead sheet, the data elements may be presented on a shipping document or as a combination of labels in the order described below.

Any other method of presenting the bar-coded data elements must be approved by the CBSA compliance manager before using the CSA clearance process.

Regardless of the method used to provide the bar-coded data elements, the mandatory data elements must be presented, in the following order:





- CSA-approved carrier's carrier code
- CSA-approved importer's business number
- If applicable, the CSA-approved secondary carrier's carrier code

If a carrier chooses to provide any or all of the optional data elements, in addition to the mandatory data elements, the information must be presented in the following order:

- CSA service option number
- CSA-approved carrier's carrier code (N.B. This is not required if a transport document number is provided, as the transportation document number includes the mandatory CSA approved carrier's carrier code) or Transport Document Number
- CSA-approved importer's business number
- If applicable, the CSA-approved secondary carrier's carrier code

Please refer to the following example:

Recommended Lead Sheet – Example 1



CSA/FAST Lead Sheet
 00497
CSA Service Option
 9999
CSA/FAST-approved Carrier's Carrier Code – <i>Include Company Name</i>
 123006789RM0001
CSA/FAST-approved Importer's Business Number – <i>Include Company Name</i>
 9988
CSA-approved (Secondary) Carrier's Carrier Code <i>Include Company Name</i>

Example #1 outlines all the mandatory and optional bar codes available, except the approved driver registration number, in the correct order, with an example of acceptable headings and descriptions provided next to each bar code.

These headings or descriptions may appear above or below the bar code, providing that they do not interfere with the bar-code spacing specifications, or the human readable format.

The driver registration number is printed on the approved driver's CDRP or FAST membership card.

Recommended Lead Sheet – Example 2

<p>CSA/FAST Lead Sheet</p> <p style="text-align: center;">Approved Carrier Code – <i>Company Name Trucking Inc.</i></p> <div style="text-align: center;">  9999 </div> <p style="text-align: center;">Approved Importer Number – <i>Company Name Inc.</i></p> <div style="text-align: center;">  123006789RM0001 </div>
--

Example # 2 is an abbreviated lead sheet, containing only two of the mandatory data elements, and the acceptable headings for the document and bar codes.

The third mandatory data element, the driver registration number, is printed on the approved driver's CSA or FAST membership card.

TESTING OF BAR CODES

Sample bar codes must be tested and approved by the CBSA to ensure they meet CBSA readability standards before using the CSA/FAST clearance process.

It is the responsibility of all CSA/FAST participants to submit sample bar codes for each of the data elements, using the proposed method of presentation, whenever possible (e.g. lead sheet, laminated lead sheet, shipping document, labels) to the CBSA for testing and approval.

Reprints of bar codes previously tested and approved by the CBSA do not need to be resubmitted for approval, unless the process or materials used to produce the bar codes have changed significantly.

To obtain CBSA approval, please forward original bar-coded document samples or bar-code labels to your CSA/FAST compliance manager.

BAR CODE INSTRUCTIONS

Bar-code Symbolologies

Either of the following bar-code symbolologies may be selected:

- Standard Code 3 of 9, as defined in the AIM (Automatic Identification Manufactures Inc.) document USS-39 (USD-3). Use of the optional Code 3 of 9 modulo 43 checksum is not acceptable. Code 3 of 9 bar-code symbols may be printed with either a 2:1 or 3:1 wide to narrow bar width ratio, subject to meeting the requirements outlined in Part II.
- Code 128 is defined in AIM document USS-128 (USD-6). A modulo 103 checksum digit is a mandatory part of Code 128.

Note: For transport document numbers longer than 18 characters, it may not be possible to use Code 3 of 9. The maximum length of 4.5"/11.43 cm will be strictly enforced.

Width of Narrow Bar

The minimum width of a narrow bar must be 0.023 cm (0.009 inches).

The maximum width of a narrow bar is dependent on the bar code symbology selected, as follows:

Code 3 of 9 (2:1 ratio) = 0.04 cm (0.016 inches)
 Code 3 of 9 (3:1 ratio) = 0.03 cm (0.012 inches)
 Code 128 = 0.04 cm (0.016 inches)
 Code 128 (double density) = 0.06 cm (0.024 inches)

Width of Wide Bar

For Code 3 of 9, a wide bar must be no less than two and no more than three times that of a narrow bar, according to the narrow bar specifications required.

For Code 128, there are four different bar widths. These must be one, two, three and four times that of a narrow bar, where the maximum width of the narrow bar is as specified above in Width of Narrow Bar.

Length of Quiet Zones

Both the leading and the trailing quiet zones must be a minimum of either 10 times the narrow bar width, or 0.3 cm (0.125 inches), whichever is greater. Longer quiet zones will increase the readability of the code.

Bar Code Symbol Height

The bar-code symbol must be between 0.95 cm (0.375 inches) and 1.60 cm (0.625 inches) in height.

Bar Code Symbol Length

The bar-code symbol, including the leading and trailing quiet zones, as well as the human readability component, must totally reside within an area no greater than 12.7 cm (5 inches) long by 3.8 cm (1.5 inches) high.

Human Readable Format

Human readable print numbers must always be below the bar code.

The height of the human readable print must be at least 0.25 cm (0.0984 inches).

The human readable number must begin on the left side of the bar code directly below the point where the bar code starts.

The spacing between the bar code and the human readable format and any subsequent lines must be at least 0.08 cm (0.03 inches).

The related carrier, importer and secondary carrier names must be printed for all bar codes being tested. The printing must meet the requirements of the quiet zones and not interfere with the human readable number or code.

Print Contrast Ratio

The print contrast ratio (PCR) is the ratio of the difference of reflectivity between the bars and spaces, as follows:

$$\text{PCR} = \frac{\text{Reflectance of Spaces} - \text{Reflectance of Bars}}{\text{Reflectance of Spaces}}$$

Where reflectance is defined as a percentage figure, the print contrast ratio must be a minimum of 55 percent, with an optimum value of 75 percent.

Readability

The average first read rate for bar-code symbols produced must be 95 percent (i.e., Only five in 100 will require more than one scan.). All bar codes produced through carbons must meet the same readability rate as the original.

Lifetime

The bar-code symbol must be readable for a minimum of eight months with a 95 percent first-read rate.

Print Type

The bar-code symbol may be printed with either carbon or non-carbon ink.

Label Size

If labels are used, the label must be a self-adhesive, permanent label and must be smudge-proof.

APPENDIX E

BAR CODE SPECIFICATIONS FOR EDI CARRIERS

Customs Self Assessment Program Bar-Code Specifications for CSA-EDI Highway Carriers

The following instructions and guidelines are for **highway carriers who use Electronic Data Interchange (EDI)** to meet the CBSA's clearance requirements. If you are a carrier that does not use EDI to meet the CBSA's clearance requirements, please refer to Appendix D – Bar code Specifications for Non-EDI Highway Carriers.

CUSTOMS SELF ASSESSMENT CLEARANCE

The Customs Self Assessment (CSA) clearance process is available to CSA-approved importers, CSA-approved carriers and drivers registered with the Commercial Driver Registration Program (CDRP) or the Free and Secure Trade (FAST) program.

DATA ELEMENTS FOR EDI CLEARANCE

Mandatory Data Elements

In order to report EDI cargo, the following two mandatory bar-coded data elements **must** be provided on a lead sheet when the goods arrive:

- Service option
- Conveyance number

Should there be CSA cargo on board, the registered driver's photo-identification electronic device (CDRP or FAST card), provided by the CBSA, must also be presented at the time of report.

In addition to the two mandatory data elements outlined above, if an EDI carrier has sub-contracted the transportation, the other carrier **must** be a CSA-approved carrier and must present his or her carrier code in bar-coded format as the secondary carrier.

Optional Data Elements

In addition to the mandatory data elements for EDI clearance, the following bar-coded data elements **may** be provided upon arrival of the goods:

- Owner-operator's carrier code.

DATA ELEMENT DEFINITIONS AND USE

Mandatory Data Elements

EDI Highway Service Option: This is the five-digit code used by the CBSA to identify the service option being used to report shipments.



00547

Conveyance Report Number: This is a unique reference-tracking number, which links either one (1) shipment (full truckload), or all the multiple shipments (less than truckload - LTL), on board one or multiple trailers per entry to Canada. It must begin with the four-digit carrier code of the primary CSA EDI-approved carrier. This number cannot be longer than 25 characters and cannot be duplicated for a three-year period. The CBSA will capture the conveyance number at the border. This number will be linked to all the shipments on board that conveyance in the CBSA's system.



99995678910111213

Secondary Carrier Code: This is the unique four-character bond number issued by the CBSA to a carrier. The four-character carrier code may contain both alpha and numeric characters (e.g. 9999 or 99AA). It is used to identify a specific carrier as a CSA-approved participant. The CSA secondary carriers may already have a method for their drivers to report their carrier code. This is a **mandatory** data element when primary CSA-approved carriers hire another CSA-approved carrier to transport any type of cargo reported by EDI on their behalf using a letter of authority.



9988

Optional Data Elements

Owner-operator Carrier Code: This is the unique four-character number issued by the CBSA to an owner-operator. The four-digit carrier code may contain both alpha and numeric characters (e.g. 7999 or 79AA). It is used to identify a specific owner-operator contracted by the CSA-approved carrier. This is an **optional** data element. However, an owner-operator interested in establishing a history with the CBSA may want to provide this bar-coded data element.



7999

PRESENTATION OF THE BAR-CODED DATA ELEMENTS

A lead sheet must be used by the EDI carrier to present the bar-coded data elements. Border services officers will scan the bar codes at the first point of arrival to Canada.

The mandatory data elements must be presented, in the following order:

- EDI highway service option number
- Approved conveyance number
- If applicable, the registered driver identification
- If applicable, the CSA-approved secondary carrier's carrier code

If a carrier chooses to provide any or all of the optional data elements, in addition to the mandatory data elements, the information must be presented in the following order:

- Owner-operator's carrier code (must be last bar code presented on the lead sheet)

RECOMMENDED LEAD SHEET

A **FLAG**, such as a separate colour sheet for the driver as a reminder to have the CDRP or FAST card ready for presentation when reporting to the CBSA is also recommended.

EDI LEAD SHEET		
EDI Highway Service Option		
00547		
CBSA-approved Conveyance Number		
99995678910111213		
CARRIER NAME		
IF APPLICABLE:		
9988	OR	7999
CARRIER NAME		
CSA-approved (Secondary) Carrier's Carrier Code	OR	Owner-operator Carrier Code

Your assigned compliance manager **must** review and authorize the format of the EDI lead sheet and consist lists **before** they are used.

CARRIER OUTAGES

During carrier outages, some of the cargoes or conveyances may not have been sent to the CBSA.







The carrier will have the option of either presenting a consist sheet or individual paper cargo control documents. Bar codes representing the cargoes must be the same as those that may have been transmitted to the CBSA and **must** clearly indicate “**EDI – LTL**” CARRIER OUTAGE at the top of the paper manifest.







CSA, PARS and RMD releases are to appear in order, as shown below, or a separate CONSIST SHEET for CSA shipments may be used. Planned IN-BOND cargo is presented on A8A manifests.

RECOMMENDED CONSIST SHEET

(Multiple pages are to be presented when required)

A **FLAG**, such as a separate colour sheet for the driver as a reminder to bring the CDRP or FAST card when reporting to the CBSA is also recommended.

EDI – LTL CARRIER OUTAGE		
CONSIST SHEET		
Carrier Name: _____		
Date: _____		
Conveyance #: _____ if applicable, bar-code format provided on lead sheet		
Bar Codes	CBSA	Service Option
 9999123456789221		PARS
 9999123456789222		PARS
 9999123456789224		PARS
 9999123456789225		PARS OGD
 9999123456789226	 123006789RM0001	CSA

EDI-LTL CARRIER OUTAGE		
CONSIST SHEET		
Carrier Name: _____		
Date of Entry to Canada: _____		
Conveyance #: _____ if applicable, bar-code format provided on lead sheet		
Bar Codes	CBSA	Service Option
 9999177758887727	 123456789RM0001	CSA
 9999177758889225	 123001119RM0001	CSA
 9999177758889995	 123006789RM0001	CSA

TESTING OF BAR CODES

Sample bar codes must be tested and approved by the CBSA to ensure they meet CBSA readability standards before using the EDI reporting process.

It is the responsibility of all EDI participants to submit sample bar codes for each of the data elements using the proposed method of presentation (e.g. lead sheet, shipping document, labels) to the CBSA for testing and approval. 9999177758887727 9999177758889225 9999177758889995 123006789RM0001

Reprints of bar codes previously tested and approved by the CBSA do not need to be resubmitted for approval, unless the process or materials used to produce the bar codes have changed.

To obtain CBSA approval, please forward original bar-coded document samples or bar-code labels to your CBSA compliance manager.

BAR CODE INSTRUCTIONS

Bar-code Symbologies

Either of the following bar-code symbologies may be selected:

- Standard Code 3 of 9, as defined in the AIM (Automatic Identification Manufacturers Inc.) document USS-39 (USD-3). Use of the optional Code 3 of 9 modulo 43 checksum is not acceptable. Code 3 of 9 bar-code symbols may be printed with either a 2:1 or 3:1 wide to narrow bar width ratio, subject to meeting the requirements outlined in Part II.
- Code 128 is defined in AIM document USS-128 (USD-6). A modulo 103 checksum digit is a mandatory part of Code 128.

Note: For transport document numbers longer than 18 characters, it may not be possible to use Code 3 of 9. The maximum length of 4.5"/11.43 cm will be strictly enforced.

Width of Narrow Bar

The minimum width of a narrow bar must be 0.023 cm (0.009 inches).

The maximum width of a narrow bar depends on the bar-code symbology selected, as follows:

- Code 3 of 9 (2:1 ratio) = 0.04 cm (0.016 inches)
- Code 3 of 9 (3:1 ratio) = 0.03 cm (0.012 inches)
- Code 128 = 0.04 cm (0.016 inches)
- Code 128 (double density) = 0.06 cm (0.024 inches)

Width of Wide Bar

For Code 3 of 9, a wide bar must be no less than two and no more than three times that of a narrow bar, according to the narrow bar specifications required

For Code 128, there are four different bar widths. These must be one, two, three and four times that of a narrow bar, where the maximum width of the narrow bar is as specified above in **Width of Narrow Bar**.

Length of Quiet Zones

Both the leading and the trailing quiet zones must be a minimum of either 10 times the narrow bar width or 0.3 cm (0.125 inches), whichever is greater. Longer quiet zones will increase the readability of the code.

Bar-code Symbol Height

The bar-code symbol must be between 0.95 cm (0.375 inches) and 1.60 cm (0.625 inches) in height.

Bar-code Symbol Length

The bar-code symbol, including the leading and trailing quiet zones, as well as the human readability component, must totally reside within an area no greater than 12.7 cm (5 inches) long by 3.8 cm (1.5 inches) high.

Human Readable Format

Human readable print numbers must always be below the bar code.

The height of the human readable print must be at least 0.25 cm (0.0984 inches).

The human readable number must begin on the left side of the bar code directly below the point where the bar code starts.

The spacing between the bar code and the human readable format and any subsequent lines must be at least 0.08 cm (0.03 inches).

Carriers must print their carrier name. EDI-approved participants may also print the acronym "EDI" or "EDI-LTL". The printing must meet the requirements of the quiet zones and not interfere with the human readable number or code.

The bar-code symbol should read only the digits found in the human readable number and should not read the dash or space.

Print Contrast Ratio

The print contrast ratio (PCR) is the difference of reflectivity between the bars and spaces, as follows:

$$\text{PCR} = \frac{\text{Reflectance of Spaces} - \text{Reflectance of Bars}}{\text{Reflectance of Spaces}}$$

Where reflectance is defined as a percentage figure, the print contrast ratio must be a minimum of 55 percent, with an optimum value of 75 percent.

Readability

The average first-read rate for bar-code symbols produced must be 95 percent (i.e., Only five in 100 will require more than one scan). All bar codes produced through carbons must meet the same readability rate as the original.

Lifetime

The bar-code symbol must be readable for a minimum of eight months with a 95 percent first-read rate.

Print Type

The bar-code symbol may be printed with either carbon or non-carbon ink.

Labels





If labels are used, the label must be a self-adhesive, permanent label and must be smudge-proof.

APPENDIX F**EXCEPTIONS TO THE 15-DAY TIME FRAME FOR CHANGES TO THE PART II APPLICATIONS**

Type of change	Time frame for notification
Change in a current business flow	30 days before
Change in carrier code	30 days before
Change in audit trails	30 days before
Change in service providers	30 days before
Change in types of service provided	30 days before
Change of address	30 days before
Change of contact name, telephone, etc	30 days before
Changes in BN or RM	30 days before
New business flows	30 days before
Withdrawal from CSA program	30 days before
Bankruptcy or receivership	as soon as change is public
Change of name	as soon as change is public
Change of ownership	as soon as change is public
Corporate re-organization	as soon as change is public
Mergers and acquisitions	as soon as change is public
New division	as soon as change is public
Sale of facilities, divisions or part of the business	as soon as change is public
Trade chain partners, non-EDI clients	monthly or quarterly, as agreed upon with CM
Trade chain partners, EDI clients	before use of owner operator or terminal/warehouse
Errors, systems, problems, non-compliance etc.	upon discovery

APPENDIX G

LINK BETWEEN THE A8A CARGO REPORTS AND THE A9 HIGHWAY CONVEYANCE REPORT

A8A Individual Cargo Reports	A9 (Highway Conveyance Report) Summarized on the Conveyance Report with the Conveyance Report Number
00539	00547
 CCN/TDN  CCN/TDN  CCN/TDN	 Conveyance Report

APPENDIX H

40 DAY REPORT

Reporting carrier name:					
Contact name: (of who is providing the report)					
Phone number: (of who is providing the report)					
Date of report:					
Originating Date	Importer Name or Business Number	Cargo Control Number	Unit Number	Location of Goods	Shipper/Consignee
Date goods entered Canada		Not required if CSA	Trailer or container number in which cargo entered Canada	City/Prov /Yard where goods are located	

REFERENCES

<p>ISSUING OFFICE –</p> <p>Customs Self Assessment Program Commercial Border Policy Division Border and Compliance Programs Directorate Canada Border Services Agency</p>	<p>HEADQUARTERS FILE –</p>
<p>LEGISLATIVE REFERENCES –</p> <p><i>Transportation of Goods Regulations Accounting for Imported Goods and Payment of Duties Regulations</i> <i>Customs Act, sections 32, 37(1), 164, and 166</i></p>	<p>OTHER REFERENCES –</p> <p>D3 series, D4-1-4, D17-1-7</p>
<p>SUPERSEDED MEMORANDA “D” –</p> <p>Memorandum D3-1-7, January 22, 2008</p>	

Services provided by the Canada Border Services Agency are available in both official languages.

