



# Memorandum D23-2-1 Customs Self-Assessment Program for Carriers

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## Plain language summary

**Target audience:** Carriers authorized under the Customs Self-Assessment (CSA) Program

**Key content:** Reporting and transportation policies and procedures for carriers authorized under the CSA Program; How to apply for authorization under the program; Reasons why CBSA could refuse, suspend or cancel authorization

**Keywords:** CARM, bar code, carriers, commercial goods, customs self-assessment, CSA, drivers, carriers, memorandum, procedures, program

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## Updates made to this D-memo

Updates made to this D-memo include:

- the updating of policies and procedures in relation to the CBSA Assessment and Revenue Management (CARM) system
- the process for applying to the CSA Carrier program through CARM has been thoroughly detailed, as well as the procedures for communicating through the CARM Client Portal
- minor updates have been made to the Suspension, Cancellation, and Appeals sections to ensure consistency across all CSA program D-memos

## Definitions

### Act

[Customs Act](#)

### ACI

Advance Commercial Information

### AIGPDR

Accounting for Importer Goods and Payment of Duties Regulations

### AMPS

Administrative Monetary Penalty System

### Authorized officer

A person holding legal signing authority for the company that is applying for authorization under the CSA program.

### 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 under CDRP or FAST. 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 (BSO)**

Formerly customs officers, immigration officers, and food inspection officers, BSO is the new term used to designate any and all of these CBSA 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 and the account identifier RM0002 identifies an importing/exporting division or branch of the legal entity.

**BN 9**

A nine (9)-digit number designated by the Canadian Revenue Agency (CRA) and is used as a common client identifier for businesses to simplify their dealings with federal, provincial, and municipal governments. Businesses receive a BN9 when they are incorporated federally, registered or incorporated provincially, or enrolled in federal or provincial programs (e.g., GST, HST, or EHT).

**BN 15**

The BN15 is made up of the BN9 plus the RM identifier

**CADEX**

Customs Automated Data Exchange

**CARM client portal (CCP)**

The CBSA Assessment and Revenue Management client portal will serve as the primary hub for accounting and revenue management with the CBSA. An online platform that allows TT members to view and transact on their account online.

**Carrier code**

A unique four-digit identifier issued by the CBSA to identify a specific carrier.

**Carrier/transporter**

A person who, in accordance with the *Transportation of Goods Regulation*, is authorized to transport goods or to cause goods to be transported.

**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 who program qualifications become registered drivers and receive a photo identification card.

**Commercial goods**

Goods imported into Canada for sale or 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 program, 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 mean 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, license 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 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.

**CSA shipment of 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.

**Division**

A branch of a company that is not separately incorporated.

**Electronic Commerce Client Requirements Document (ECCRD)**

A document containing EDI message maps, supporting data element glossaries and code tables, used for systems programming.

**EDI**

Electronic Data Interchange

**Free and Secure Trade (FAST)**

A commercial clearance initiative designed to ensure safety and security while expediting legitimate trade across the Canada-U.S. border.

**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

**Instruments of International Trade (IIT)**

Empty shipper or importer owned containers and also those registered under Ottawa file or with container bank numbers, which are used to transport commercial goods to and from Canada. For example: shipping tanks, pallets, baskets, bins, boxes, cartons, crates, gaylords, load lock/spacers, racks, trays, totes, or similar goods used to ship goods internationally.

**Letter of authorization**

A letter provided by the applicant/member business to the CBSA authorizing a third-party representative to provide information to the CBSA on behalf of the business. The business maintains full liability for all information provided to the CBSA by their representative.

**LTL**

Less than Truckload

**OGD**

Other government department

**OIC**

Order in Council

**Owner-operator**

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

**Pre-arrival review system (PARS)**

A line release option allowing importers and brokers to present release documents prior to the arrival of a shipment in order to obtain release upon arrival. **Participants' requirements document for carriers**

A chapter of the ECCRD containing information about the required data elements, EDI message maps, and code tables

**PIL**

Primary Inspection Line

**Post-Incident Analysis (PIA)**

The activities undertaken with a member following a breach of supply chain security. The PIA will investigate the incident, identify any mitigating circumstances, and formulate a strategy for the prevention of future incidents.

**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 the use of the primary carrier's carrier code at the time of report.

**Program ID**

A unique CBSA identifier assigned to TCPs enrolled in certain CBSA programs. For example, TCPs who enrol in the Carrier program will receive a carrier code and TCPs who enrol in the Customs Broker program will receive a license number; both of these are examples of Program IDs generated during program enrolment.

**Registered driver**

A driver who has qualified for and received a CDRP or FAST card.

**Reporting carrier**

A person involved in an international commercial transportation who reports cargo to the CBSA and/or operates a conveyance used to transport specified goods to or from Canada.

**RM number**

The RM is a six (6)-digit program identifier that notes the business is enrolled in a CBSA program (e.g. Importer, Carrier, Customs Broker). Formerly used to identify only importers and exporters, the CARM Solution has broadened the use of the RM to be for all CBSA programs.

**RMD**

Release on minimum documentation

**RNS**

Release Notification System

**Secondary carrier**

The CSA-approved carrier who transports the goods into Canada on behalf of the primary CSA carrier. Secondary carriers are required to 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.

**SO (CSA EDI-LTL) sufferance warehouse (SO Warehouse)**

A sub-type of the Type S sufferance warehouse, as described in Memorandum D4-1-4, *Customs Sufferance Warehouses* which is operated by a person or persons for the storage of specific classes of imported goods arriving by any mode of transportation. The SO CSA EDI LTL Sufferance Warehouse is for goods transported by CSA carriers.

**Technical Commercial Client Unit (TCCU)**

Unit of the CBSA that provides technical advice and testing to external commercial clients.

**Terminals and warehouses**

Locations owned or controlled by the carrier company, where international freight is accessed, deconsolidated or consolidated, stored or transferred.

**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. For CSA carriers, the related TCPs include terminals and warehouses operated by the carrier and owner-operators contracted to the carrier.

### Transport document number (TDN)

A cargo control number assigned by a carrier.

### United States goods

Goods that are imported from the United States, including US FTZs, not having been trans-shipped through the United States from a third country. United States goods may include goods originating in the United States, or goods that have legally entered the commerce of the United States.

## Guidelines

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) lanes into Canada, carriers and importers must be authorized under the Partners in Protection (PIP) program or both the CSA and Partners in Protection (PIP) programs. The driver must be registered in either the FAST Commercial Driver Program or Commercial Driver Registration Program (CDRP).

3. The purpose of this memorandum is to provide information and guidelines about CSA clearance. Information about CSA post-release processes is provided in [Memorandum D23-3-1, Customs Self-Assessment Program for Importers](#).

Get more information about CBSA's Trusted Trader programs:

- [Free and Secure Trade \(FAST\)](#)
- [Commercial Driver Registration Program \(CDRP\)](#)
- [Partners in Protection \(PIP\)](#)

4. The CSA program is comprised of two components:

(1) **Accounting, Revenue Reporting, Payment and Adjustment** – Importers authorized under the CSA program use the CSA accounting and payment processes for all commercial goods imported, regardless of the clearance process used to report the goods to the CBSA.

(2) **CSA Clearance** (Transportation and Reporting of Goods) – CSA clearance is an optional reporting process available only to members of CSA. In order to utilize the CSA clearance, the following conditions must be present:

- (a) the goods must be eligible goods as defined under section 2 of the [Accounting for Imported Goods and Payment of Duties Regulations](#) (AIGPDR)
- (b) the importer of those goods is an authorized CSA importer
- (c) the carrier that transports those goods is an authorized CSA carrier
- (d) when reporting the goods, the operator of the conveyance provides in bar code format the CSA carrier's carrier code as assigned by the Agency and the CSA importer's business number; and
- (e) in the case of eligible goods transported into Canada by a commercial highway conveyance as defined in section 1 of the [Presentation of Persons \(2003\) Regulations](#), the driver of the conveyance holds an authorization under those Regulations, either the CDRP or FAST programs

5. The key features of the CSA program include:

- the risk assessment and authorization of the importer, carrier and highway driver;
- the reduction of the number of data elements required to effect clearance of CSA-eligible goods
- the CSA clearance is used to request the "authority to deliver" eligible goods directly to the importer, owner or consignee prior to release
- the carrier maintains liability as per section 20(2.1) of the Act for the duties and taxes applicable to the goods that are authorized for delivery until they are delivered to the place of business of the CSA importer, owner, or consignee
- the date of release is the date on which the imported goods are received at the place of business of the importer, owner or consignee; and
- the participating CSA carrier is assigned a CBSA officer

6. General CBSA requirements regarding the transportation and reporting of goods outside the CSA program are described in [Memorandum D3-1-1, Policy Respecting the Importation and Transportation of Goods](#).

7. All references to sections, subsections, and paragraphs in this memorandum are from the *Customs Act* unless otherwise stated.

## Privacy statement

8. The information collected under the CSA program application and supporting documents is done in accordance with the authority of section 32 of the *Customs Act* for the purposes of administering or enforcing the CSA Program. The information will be used to determine the eligibility of an applicant and to conduct compliance reviews (e.g. to ensure that members continue to adhere to program requirements) and may be disclosed internally for the purposes of investigation and enforcement activities relating to program applicants and members. The information may also be used for statistical purposes and program evaluation. Disclosure of the information collected under the CSA program application and supporting documents is governed by section 107 of the *Customs Act*.

9. In addition to the information outlined in the CSA program application and supporting documents, the CBSA may disclose the business name, address, contact information, business number, membership dates, membership status and business identifiers to other programs within the CBSA and to other government agencies, to confirm membership status, conduct debt checks or carry out the mandate of the CBSA, as applicable, under section 107 of the *Customs Act*.

10. Individuals have the right of access and/or can make corrections to their personal information under the [Privacy Act](#). The information collected is described within Info Source under the CSA program detailed in [CBSA Information about Programs and Information Holdings](#).

## Section 1: CSA authorization

### Eligibility criteria

11. To participate in the CSA program, the carrier must meet all of the following basic eligibility criteria:

- (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, 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 has not contravened program legislation as defined in section 2 of the [Canada Border Services Agency Act](#)
  - (c.1) the carrier does not have a criminal record
  - (c.2) the carrier is not a debtor as defined in section 97.21 of the Act
- (d) the carrier is solvent
- (e) the carrier has 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 gives security in accordance with the [Transportation of Goods Regulations](#) and
- (g) the carrier's books, records and business processes has the internal controls necessary to permit the Agency to determine if the carrier is in compliance with the Act and its Regulations

### Residency requirements

12. Pursuant to paragraphs 10.5 2(a) and (b) of the AIGPDR, the carrier must have its head office within Canada or the US, or operate a branch office in Canada or the US. Specifically:

- if the carrier is an individual, the carrier must ordinarily reside in Canada or the US
- if the carrier is a partnership, the carrier must have at least one partner who is an individual and who ordinarily resides in Canada or the US; or
- if the carrier is a corporation or cooperative, the carrier must have its head office in Canada or the US or operates a branch office in Canada or the US

13. The Canadian or American business entity maintains separate books and records in relation to the Canadian or American business operations, and prepares separate financial statements; files Canadian income tax returns; maintains and controls bank accounts in Canada or the US; accounts for the imported goods and is responsible for paying the applicable duties and taxes.

14. CSA program approval requires carriers to have a unique CBSA carrier code, be authorized to transport goods as a bonded carrier, and have posted security of a minimum of CAN\$25,000 before having applied to the program. Where applicable, the legal entity must apply for all divisions at the time of application.

15. 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 *Memorandum D3-1-1, Policy Respecting the Importation and Transportation of Goods* and [Memorandum D1-7-1, Posting Security for Transacting Bonded Operations](#). Visit [Customs Self Assessment Program](#) for additional information on the carrier code application process.

16. To be eligible for CSA a carrier 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. A non-bonded carrier can also be considered for the 90 day transport criteria and 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.

### CARM Client Portal (CCP) registration

17. The following section outlines the steps involved in onboarding to the CCP, registering their business, and enrolling into the CSA Carrier sub-program.

18. To onboard to the CCP, an applicant's Authorized Officer must complete the following processes:

- Log in to the portal using either:
  - Option A: Sign-in Partner (A financial institution with which you have set up online credentials)
  - Option B: GCKey (a unique Government of Canada credential you can create)
- Register for multi factor authentication
- Create your person profile
- Complete the first time setup process by choosing either
  - Option A: Register a business
  - Option B: Request access to an employer

19. Following portal onboarding, all TCPs start registration by following the core registration process. They will have the option to create a new CCP business account or to request access to an existing CCP process.

- TCP logs into the CCP
- TCP creates user profile
- TCP completes delegation of authority process
- TCP provides BN9, RM and/or program ID (if applicable)
- TCP Completes CCP registration by completing 1 of 5 registration scenarios

20. Detailed instructions for process scenarios can be found in the CARM R2 Playbook – Section 03 Registration. The descriptions and process steps for each scenario are explained in Registration Scenarios. At the end of each scenario, all TCPs will obtain, or gain access to, their BN9 and RM (and Program ID, if eligible) and will be enrolled in a CBSA program.

21. If the TCP is the **first user** for their business (i.e. legal entity) to access the CCP, they must go through the Registration Scenarios process to create an account for their business. The first user is considered the Business Account Manager (BAM), which enables them to manage all business and program information associated with their business account, and perform business operations activities in the CCP. The BAM can delegate access to other users, such as to the business' employees and third parties (e.g. trade consultants).

22. The **next user(s)** for the business (i.e. legal entity) proceed(s) to the Delegation of Authority (DOA) process to request access to the registered business account on the CCP from the BAM and completes the rest of their registration via the DOA process.

23. CSA applicants will first need to enrol in the Carrier program by completing the steps outlined in the web enrolment process.

#### **Prerequisites**

- TCP has a CCP user account
- TCP needs to obtain an RM as part of the Registration process, or wishes to enrol in a new program
- TCP needs to enrol in a program which is facilitated on the CCP via web-form enrolment

#### **Web enrolment process**

- Select enrollment option
- Complete program enrollment web form
  - CBSA officer reviews enrollment web form and will generate and assign an RM and if required, a BN9
- TCP to post financial security, if applicable
- CBSA officer to generate program ID, if applicable
- View program enrollment status

24. Through CARMs "Enrol in Program process", TCPs receive an RM identifying the CBSA program in which they are enrolled. The RM is a 6-digit number (e.g. RM0001), which together with the BN9 makes up their BN15. The BN15 identifies that a legal entity (BN9) is enrolled in one or more CBSA programs (RMs). TCPs cannot complete the CARM Registration process, nor obtain a BN9, without enrolling in at least one CBSA program and obtaining an RM identifier.

### **CSA carrier application**

25. 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 the CSA clearance option. The application and approval process for importers who wish to be authorized as a CSA importer are described in [Memorandum D23-3-1, Customs Self-Assessment Program for Importers](#).

26. A CSA application is free of charge and comprised of two parts which are to be completed by the carrier accurately and completely:

#### **Part 1 - Risk Assessment**

The carrier must provide basic company information about business structure and activities. The CBSA will then conduct a risk assessment of the company and advise of the Part 1 status. Once Part 1 has been approved by the CBSA, the carrier may proceed to completing Part 2 of the application.

#### **Part 2 - Books, Records and Business systems**

Once the CBSA has approved the Part 1 application, the carrier can continue with Part 2. For Part 2, the carrier must demonstrate that their books, records and business systems have all the necessary internal controls, processes and audit trails in place, before submitting the application to the CBSA for review.

27. Part 2 of the application process will commence prior to Part 1 being completed. A front end review for application completeness will be completed once Part 1 is received. Once completed, the Part 1 application will be risked and the CBSA Officer will initiate contact with the applicant to start the Part 2 system review.

**Note:** Once both parts are completed, a Summary of Program Requirements shall be issued to the carrier, for signature, by the CBSA. The carrier will then return the signed document to the CBSA. Additional information regarding the Summary of Program Requirements can be found in paragraph 52.

28. Throughout the application process, the CBSA reserves the right to request information in addition to details provided by the carrier in Parts I and II of the application.

29. The CBSA will refuse to issue a CSA authorization to any applicant, if it is found that the applicant provided false or misleading information in any part of its application and may assess a penalty of CAD\$25,000.

30. Should the business decide to hire a third party to complete the application process, and/or in any other interactions with the CBSA, they must provide the CBSA with a Third Party Authorization letter signed by an authorized officer (see "Definitions" for details) of the business. The letter of authorization should be printed on the business' letterhead and should follow the suggested format outlined in [Appendix G: Letter of Authorization](#). The business maintains full liability for all information provided to the CBSA by their representative.

### Part 1 : CSA application

31. To apply for CSA authorization, the carrier must first enrol in the CCP under the carrier program. Once enrolled in the CCP, the carrier can download and complete the [CSA Trusted Trader Carrier Clearance Benefit Part 1 form](#). Once complete, the carrier must upload the Part 1 form directly into the CCP. The carrier must **first receive approval from the CBSA for Part 1 before submitting Part 2**.

An authorized officer of the business must sign the application form to certify that the information provided is true and complete.

32. When Part 1 of the application is received, a CBSA officer is assigned to the carrier. This officer serves as a single point of contact for the CSA program, manages the carrier's application, provides ongoing guidance and assistance and monitors the carrier's CSA program compliance.

33. During Part 1 of the application process, the carrier should confirm that the business is correctly registered under the Business Number (BN) program with the Canada Revenue Agency. To participate in the CSA program, it is essential that the legal entity is registered under only one nine-digit BN and divisions or branches of the legal entity involved in the importation of goods are identified with a unique import/export (RM) account identifier. You can register for a business number, or add an import/export account to an existing business number, by calling the CRA at 1-800-959-5525. Additional information about the BN can be found in departmental [Memorandum D17-1-5, Registration, Accounting and Payment for Commercial Goods](#).

### Risk assessment

34. Information requested on Part 1 of the CSA application (CSA Trusted Trader Carrier Clearance Benefit Part 1 form) is used by the CBSA to assess the risk of the applicant carrier as a legal entity. This includes all 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 applicant's enforcement history with the CBSA; criminality; convictions of fraud; the past capability of the business to maintain proper books and records and, to provide accessibility of these records to the CBSA; and the settlement of outstanding debts to the Crown.

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

- security of the premises;
- internal controls;
- company policies such as the code of conduct and hiring practices; and
- training programs for trans-border drivers and crew.

36. 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.

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

- the completeness of the submitted application
- the complexity of the information submitted
- the corporate structure of the entity
- the number of warehouses and terminals operated by the carrier
- the number of CBSA offices where the carrier has dealt with the CBSA
- the carrier's delays in submitting the required information or additional information requested/required by the CBSA

Note: Applicants may contact their CBSA officer with any inquiries about the status of their application.

### Part 1: Approval



38. Those carriers whose Part 1 applications have been risked and reviewed, will be contacted by a CBSA Officer to initiate the Part 2 system review. Final approval for participation is obtained only when Part 2 of the application process is completed successfully and the Summary of Program Requirements is signed by the approved carrier and accepted by the CBSA.

#### Part 1: Denial

39. Carriers who are denied under Part 1 of the application are notified of the decision and the reasons for the decision via the CCP if enrolled, or via mail if not enrolled in the CCP. A carrier whose Part 1 application has been denied, may request a review of the decision by submitting a request via the CCP if enrolled, or via mail if not enrolled in the CCP.

#### Part 2: CSA application

40. Carriers who have received an invitation to continue to Part 2 of the CSA application must complete the [CSA Trusted Trader Carrier Clearance Benefit Part 2 form](#). Once complete, the carrier must upload the PART 2 form directly into the CCP. Information concerning the completion of the form may also be obtained by contacting the assigned CBSA officer. .

41. An authorized officer of the business must sign the form and certify that the information provided is true and complete. The signing officer must have authority for the divisions making an application, but does not have to be the same officer that signed Part 1. When completed, the original signed application is submitted within the CCP.

42. The purpose of Part 2 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.

43. Details about the specific systems requirements for the CSA program are provided in Part 2 of the application. These requirements include how the carrier's systems will:

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

44. In Part 2 of the CSA application process, the applicant carrier is required to describe their 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. This information should be supplied no later than two months after notification that Part 1 of the client's application has been approved. Failure to submit the Part 2 CSA application within this timeframe may result in a request of resubmission of the Part 1 application. 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.

45. With Part 2, 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 by their CBSA officer to provide a sample listing of Canada-bound international shipments. The following information is required.

- control number i.e. invoice or PRO number, trip number, order number
- date of order or pickup and customer-delivery receipt
- customer consignee or billing name and full address, including country
- shipper name and full address, including country
- pickup location – name, city and state
- delivery location name and address, including country

46. The carrier will be required to supply an all-inclusive, sequentially numbered listing of Canada-bound, U.S.-bound and domestic shipments for a specified period to ensure system integrity, or provide an alternative audit trail (including manual systems) that meets these requirements and is acceptable to the CBSA. The carrier is required to discuss the need for an alternative audit trail with the CBSA officer responsible for the file and the CBSA officer will determine whether it is acceptable to the CBSA.

47. The specific systems requirements and processes to support the CSA program, described in Part 2 of the application, must be shown to be in place before approval and must be operable before the CSA clearance process can be used. All specific systems requirements must be maintained and updated, as required. An authorized officer of the company must sign the application form, as certification that the information provided is true and complete.

48. The CSA 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.

49. It is important to note that acceptance and approval of Part 2 of the application does not:

- signify certification of the client's business systems by the CBSA or

- exempt the client from being subject to an Administrative Monetary Penalty (AMP) that might arise, if the CSA or CBSA requirements are not met

50. 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 1 and Part 2 of the application.

51. 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 2: Withdrawal, Suspension, Cancellation and Appeals](#).

#### **Part 2: Approval**

52. The final approval for participation in the CSA program is obtained when the Technical Commercial Client Unit (TCCU) bar code testing is successfully completed and all other requirements have been met. A Summary of Program Requirements will be provided to the approved carrier upon completion and approval of Part 2. This summary provides reinforcement of the obligations necessary for successful participation in the CSA Program. 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 client will receive a notification of the approval decision via the CCP. At the same time, the CBSA will activate the carrier's CSA status in the CBSA's system and the carrier will be authorized to use the CSA clearance process.

53. The CBSA officer will inform carriers who do not meet all the requirements of Part 2 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, thus making it possible for the carrier to be compliant with all the requirements.

#### **Part 2: Denial**

54. Carriers who are denied under Part 2 of the application are notified of the decision and of the reasons for the decision through the CCP if enrolled, or via mail if not enrolled in the CCP. A carrier whose Part 2 application has been denied, may request a review of the decision by submitting a request via the CCP if enrolled, or via mail if not enrolled in the CCP.

#### **Transfer of CSA authorization**

55. CSA membership can only be transferred after a comprehensive review by the CBSA. The subsequent decision to approve or deny the request will be made at the exclusive discretion of the Agency. Any decision made is final and not subject to appeal.

56. CSA applicants or members that have/will undergo corporate amalgamation or acquisition, will need to contact the CSA Program to have their new corporate structure and program eligibility reviewed in order to be considered for continued participation in the CSA program.

#### **Updating carrier information**

57. CSA carriers are required to inform the CBSA of any corporate changes as these may impact their CSA authorization. Details regarding what changes are to be communicated to the CBSA and the timeframe within which they are to be communicated can be found in [Section 2: Withdrawal, Suspension, Cancellation and Appeals](#).

#### **Participants listing**

58. As a service to our clients, the CBSA publishes a [list of authorized carriers to the CSA program](#).

59. The carriers listed have consented to have their business name published as authorized CSA participants. The list may not include all authorized CSA carriers.

### **Section 2: Withdrawal, suspension, cancellation and appeals**

#### **Withdrawal**

60. Carriers wishing to withdraw their application or participation from the CSA program may do so at any time. To withdraw their application or participation from the CSA program, carriers will do so via the CCP if enrolled, or via mail if not enrolled in the CCP. The carrier will be required to provide a justification to the CBSA as to why they are disenrolling from the program. The carrier will then be notified via the CCP if enrolled, or via mail if not enrolled in the CCP, of the disenrollment from the CSA program.

61. An application or CSA authorization that has been withdrawn will not be reinstated and a full reapplication will be required in order to be reconsidered for a CSA authorization.

#### **Suspension**

62. The CBSA may suspend a CSA authorization of a CSA carrier if:

- the carrier no longer meets the requirements set out in the [Transportation of Goods Regulations](#);

- the carrier fails to maintain its books, records and business processes and the internal controls necessary to permit the Agency to determine if the carrier is in compliance with the Act and its Regulations;
- the carrier fails to maintain its security;
- the carrier becomes insolvent;
- the carrier has transported goods into Canada that were released under paragraph 32(2)(b) of the Act that:
  - were not eligible goods,
  - were transported into Canada by a commercial highway conveyance as defined in s. 1 of the *Presentation of Persons (2003) Regulations* operated by a driver who did not hold an authorization under those Regulations, or
  - were delivered somewhere other than the place of business of the CSA importer, owner or consignee to which delivery was authorized;
- the carrier has failed to provide the CBSA with a description of any commercial goods that:
  - the carrier transported into Canada;
  - were not released but were authorized for delivery to a place under subsection 19(1) or paragraph 32(2)(b) of the Act; and
  - were not delivered to that place within 40 days after the authorization was given.
- the carrier has been convicted of an offence under the Act or its regulations.
- the carrier fails to notify the Minister of any change in the information described in Schedule 3 of the AIGPDR at least **30 days before they occur**; and/or
- the carrier fails to notify the CBSA **immediately** of the following information:
  - any changes to the carrier's name or corporate name, as the case may be, residence or business address, as the case may be, solvency or security;
  - any changes to the ownership or organizational structure of the carrier; and
  - the sale of all or part of the carrier's business.

63. In deciding whether to suspend a CSA authorization, the following factors will be considered:

- the severity of the breach and whether or not it was rectified soon after it was discovered;
- the economic impact of the suspension or the cancellation; and
- the security and safety of Canadians.

64. Once a decision has been made to suspend a CSA authorization, the carrier will be given notice of the decision and the reasons for decision via the CCP if enrolled, or via mail if not enrolled in the CCP. The suspension is in effect on the date the notification is sent to the carrier.

65. Suspension of a CSA authorization will result in an interruption of all program-related benefits such as the use of CSA clearance and access to FAST dedicated lanes.

66. The carrier will be given an opportunity to correct the matter that gave rise to the suspension within 30 days after the suspension has taken effect. If it is not possible for the carrier to make the required correction within the 30 day period, the carrier may make a written request within those 30 days for an extension of time, providing a justification for the extension request. In these instances, the CBSA officer may administer an action plan to formally document the matter giving rise to the suspension, recommend a resolution and follow-up until such situations are corrected. For additional information regarding action plans, please refer to paragraph 253.

67. After the correction has been made, the carrier's CSA authorization may be reinstated.

## Cancellation

68. The CBSA may cancel the CSA authorization of a CSA carrier if:

- the authorization has been obtained on the basis of false or misleading information;
- the carrier no longer resides in Canada or the United States;
- the carrier is a partnership, and none of the partners reside in Canada or the United States;
- the carrier is a corporation, the carrier no longer has its head office in Canada or the United States or no longer operates a branch office in Canada or the United States;
- the carrier has contravened program legislation as defined in section 2 of the Canada Border Services Agency Act;
- the carrier has a criminal record;
- the carrier so requests; and/or
- in the case of a CSA authorization that has been suspended, the carrier has not corrected the matter that gave rise to the suspension within the established timeframes.

69. In deciding whether to cancel a CSA authorization, the following factors will be considered:

- the severity of the breach and whether or not it was rectified soon after it was discovered;
- the economic impact of the suspension or the cancellation; and
- the security and safety of Canadians.

70. Once a decision has been made to cancel a CSA authorization, the carrier will be given notice of the decision and the reasons for decision via the CCP if enrolled, or via mail if not enrolled in the CCP. The cancellation is in effect on the date the notification is sent to the carrier.

71. Cancellation of a CSA authorization will result in a cessation of all CSA program-related benefits including the use of CSA clearance and access to FAST dedicated lanes. If the carrier's name appears on the CSA approved carriers list on the CBSA's website, it will be removed.

## Appeals

72. An applicant or member that disagrees with a cancellation decision by the CBSA may submit an appeal through the CCP if enrolled, or via mail if not enrolled in the CCP. The carrier may request an extension to the time limit when submitting an appeal, by using the Request for Extension (RFE) form in the CCP.

73. In order to be considered, the submissions must:

- be submitted within 30 calendar days from the effective date of the decision being appealed;
- clearly state the carrier's business name, mailing address and the reason(s) for appeal; and
- include any supporting documentation.

74. The carrier's 'cancelled' status will remain in effect throughout the duration of the appeal period. No further administration of the carrier's file will occur until a decision has been rendered.

75. If an appeal to cancel a CSA authorization is allowed, then either the authorization will be reinstated, or the carrier will be placed under suspension for a specified duration pending corrective action. Conversely, if an appeal to cancel a CSA authorization is denied, then the cancellation of the CSA authorization will remain in effect. For information relating to the effect of a cancellation of a CSA authorization, please refer to paragraph 71.

76. The CBSA will render a decision and a letter of notification will be sent to the member within 30 business days of receipt of the appeal. The letter will state the CBSA's decision and specify an effective date. All appeal decisions rendered by the CBSA are final. The final appeal decision, which identifies the carrier's potential next steps within the appeal process will be sent to the carrier via the CCP.

### **Reapplication following denial or cancellation**

77. A moratorium on reapplication following a denial or cancellation decision may be imposed at the discretion of the CSA program depending on the reason(s) for denial or cancellation.

78. The CSA program reserves the right to specify reapplication timeframes on a case-by-case basis, and to disallow reapplication indefinitely when merited. Any restrictions on reapplication timeframes will be communicated to the client at the time of denial or cancellation.

## **Section 3: Reporting and clearance**

### **General overview of CSA clearance**

79. The process used for CSA clearance is similar to an in-bond movement, except that the goods may be delivered directly to the importer, owner or consignee. While the obligation to report goods under section 12(1) of the Act is not altered under the CSA program, the related specific reporting requirements are changed to support the streamlined CSA clearance process. Under CSA clearance, commercial goods are reported to the CBSA at the first point of arrival, where they may be "authorized for delivery" by the CBSA. The CSA carrier who reports goods to the CBSA for authorization to deliver is liable for payment of duties and taxes, until the goods are delivered to 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. To remove liability, the reporting carrier must ensure that proof of delivery is obtained and kept on hand for CBSA verification.

80. A distinctive feature of the CSA program 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.

81. Where commercial goods are reported to the CBSA for authorization to deliver under the CSA clearance process the following conditions apply:

- The goods must be eligible for CSA clearance;
- The importer is authorized under CSA;
- The carrier is authorized under CSA;
- Where the goods are transported into Canada in highway mode, the driver is authorized under the CDRP or FAST driver registration programs.

82. Carriers and importers who are authorized under the CSA program have demonstrated that they are low-risk clients. The CSA carrier provides the following data elements at the border in order to validate all elements. These data elements are electronically verified by the CBSA at the Primary Inspection Line (PIL) to obtain CSA clearance:

- the 15-digit BN/RM of the CSA importer in bar code format;
- the carrier code of the CSA carrier in bar code format; and
- the driver's CDRP card or FAST card (for highway mode).

Note: Where this information is valid, the carrier may be authorized to deliver the CSA shipment. A transaction number is not required.

83. The intent of CSA clearance is to facilitate the direct delivery of eligible goods to the importer, owner or consignee. The focus is on expedited border reporting and processing at PIL.

84. 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 general description of the goods;
- the place of loading;
- the number of pieces and their weight; or
- the name and address of the consignee.

85. 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.

86. Goods that are not eligible for CSA clearance must be reported to the CBSA via eManifest and released via PARS, RMD, etc. or move inland in bond. See [Memorandum, D3-1-1, Policy respecting the Importation and Transportation of Goods](#). The requirements for these reporting options are not changed as a result of the importer being authorized under the CSA program, as indicated in [Memorandum D17-1-4, Release of Commercial Goods](#).

87. The carrier must provide CSA importers, or their designated broker(s), with documentation containing 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. Once the carrier has proof of delivery, transfer of liability for duties and taxes is with the importer and/or consignee.

### Place of shipment

88. To be eligible for CSA clearance, goods must be shipped directly to Canada from within the U.S. or Mexico as noted on the carrier's through bill of lading. For purposes of determining the eligibility of goods for CSA clearance, the "United States" means the 50 states of the United States, the District of Columbia and Puerto Rico.

89. Goods that enter a US FTZ are also eligible for CSA clearance as long as the goods coming from offshore, have either been stored (in the same condition) or processed in a FTZ. However, goods that simply transit through and are neither held in storage or have further processing are not eligible for CSA clearance.

### Authorized to deliver

90. Under CSA clearance, commercial goods are reported to the CBSA at the first point of arrival, where they may be "authorized for delivery" by the CBSA. A CSA clearance is not considered a true release but is instead used to request the "authority to deliver" eligible commercial goods that are imported by an importer who is authorized under the CSA program. It is derived from the release prior to accounting provision under paragraph 32(2)(b) of the [Customs Act](#).

(2) In prescribed circumstances and under prescribed conditions, goods may be released prior to the accounting required under subsection (1) if

(b) the goods have been authorized by an officer or by any prescribed means for delivery to, and have been received at, the place of business of the importer, owner or consignee of the goods.

91. Intermediary locations, as designated by the CBSA 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.

### Meaning of CSA "release"

92. In the context of a CSA clearance, under section 2 of the Act "release" means;

"(b) in respect of goods to which paragraph 32(2)(b) applies, to receive the goods at the place of business of the importer, owner or consignee;"

93. This applies to eligible goods that are authorized for delivery to, and have been received at, the place of business of the importer, owner or consignee. Thus, release occurs on the date of delivery.

### Carrier liability

94. Where goods are reported under CSA clearance for authority to deliver, the carrier is liable for duties and taxes until the goods are delivered to the place of business of the importer, owner or consignee, or otherwise discharged under the provisions of subsection 20(2.1) of the Act. To remove liability, the reporting carrier must ensure that proof of delivery is obtained and kept on hand for CBSA verification.

### Authorized carrier

95. To obtain authorization under the CSA program, the carrier must apply to the CBSA, as described in [Section 1: CSA Authorization](#) 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.

96. There are two situations in which the authorized CSA carrier may use a contracted 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 below

### Owner-operators (highway)

97. The authorized CSA carrier may use an owner-operator to report goods using CSA clearance. **The owner-operator does not need to be an authorized CSA carrier to transport a CSA eligible shipment.** As indicated in *Memorandum D3-4-2, Highway Pre-Arrival and Reporting Requirements*, there is no longer a need for an authorization letter however when requested the onus will be on the driver to prove that they are under exclusive contract with the carrier whose carrier code is presented. 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 Border Security Officer (BSO) in bar code format.

98. 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.

99. Owner-operators meeting this definition are considered to be an extension of the authorized CSA carrier as shown in the following examples:

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

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

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

101. Upon request of the BSO, the owner-operator must be able to provide proof of the relationship. Owner-Operators should consult *Memorandum D3-4-2, Highway Pre-Arrival and Reporting Requirements*, in order to determine the requirements for proof of this relationship. The BSO is to scan **only** the carrier code of the authorized CSA carrier into the CBSA's system.

### Secondary CSA carrier

102. To report goods under CSA clearance, CSA carriers may authorize only another CSA-authorized carrier to use their carrier code. There is no longer a need for a letter of authorization however the BSO may request proof of the relationship with the primary carrier upon arrival at First Point of Arrival (FPOA). For additional information regarding the existence of a contractual agreement please see *Memorandum D3-4-2, Highway Pre-Arrival and Reporting Requirements*.

The following guideline applies to the use of secondary carriers:

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 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.

103. The primary and secondary carriers 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 will be required to use another clearance process.

104. The BSO should scan both CSA approved carrier bar codes into the CBSA's system. The Secondary Carrier's bar code should be scanned into the CBSA's system in the designated Secondary Carrier field.

105. 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.

### Eligible goods

106. CSA-eligible goods are defined under section 2 of the AIGPDR as:

"...commercial goods that have been shipped directly from the United States or Mexico and for which there is no requirement under any Act of Parliament or of the legislature of a province or any regulation made under such an Act that a permit, license or other similar document be provided to the Agency before the goods are released."

107. CSA importers are responsible for identifying to their shippers and vendors which products are eligible for CSA clearance. CSA importers must also confirm with their CSA carrier which shipments qualify for CSA clearance.

108. CSA-eligible goods exclude goods that are a prohibited, controlled or regulated import into Canada, in accordance with the provisions of an Act of Parliament or of the legislature of a province, as well as the regulations made in accordance with any Act, that prohibits, controls or regulates their importation, i.e. subject to regulation by OGDs.

109. While most OGD requirements must generally be met before the release of goods, a CSA importer may enter into an agreement with an OGD that allows the importer to provide OGD requirements after importation. Where the CSA importer has made such an agreement, the related goods may qualify for CSA clearance. 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's systems and the carrier should have written instructions regarding the eligibility of the goods from the importer.

110. The goods must also be shipped directly to Canada from within the United States or Mexico as noted on the carrier's bill of lading. Goods that are shipped to Canada through the United States from a third country other than Mexico are not eligible for CSA clearance (i.e. in-transit shipments).

111. 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 may be assessed against the importer. Separate penalties may apply where a secondary carrier is not an authorized CSA carrier or the driver does not hold CDRP or FAST authorization.

### **FAST eligibility**

112. Vehicles carrying qualifying goods can use dedicated FAST lanes and booths when entering Canada at certain highway ports of entry.

113. Goods that qualify for CSA clearance option, may access the FAST lanes on the conditions that the importer and carrier are both members of the PIP program or the CSA and PIP programs, and that the driver is authorized under the CDRP or FAST driver registration programs.

114. Goods that do not qualify for CSA clearance option, may still access the FAST lanes on the conditions that the importer and carrier are both members of CSA and/or PIP, the driver is authorized under the CDRP or FAST driver registration programs, and the cargo and conveyance information has been transmitted to the CBSA in advance of arrival.

115. Goods in the FAST lane not using the CSA clearance option are subject to all standard commercial processing and regulations.

116. CSA or PIP importers are responsible for identifying to their carriers which shipments qualify for FAST lane access.

### **Border verification**

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

- documentation review
- contraband examination
- cab check; or
- random examinations

### **Documentation review**

118. 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.

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

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

120. When the carrier fails to provide the information requested by a border services officer to make a determination for admissibility or CSA eligibility, another means of report and release such as eManifest, PARS, RMD, etc. must be completed. The goods will not be permitted to move past FPOA until these requirements have been met.

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

## eManifest requirements

122. Shipments that are eligible for CSA clearance are exempt from transmitting the requirements for advance commercial information of cargo and conveyance data. Dependent on mode of transport, authorized CSA carriers may present the required bar codes in paper format at FPOA. However, the conditions as outlined in the Chapter 4: Advance Commercial Information (ACI/eManifest) Electronic Commercial Client Requirements Document (ECCRD) applies to all cargo and conveyance data transmitted electronically. Where there is a mixed load of both exempt and non-exempt cargo, clients will be required to send conveyance data as well as data for non-exempt cargo. The ECCRD is available by contacting the CBSA TTCU at 1-888-957-7224.

## CSA reporting requirements

123. 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.

124. 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 B: Bar Code Specifications for Non-EDI Highway Carriers](#) of this memorandum provides information on the non-EDI bar code CSA specifications and testing requirements. Bar code testing is mandatory in Part 2 of the application process. The bar code specifications for EDI carriers are in [Appendix C: Bar Code Specifications for EDI Carriers](#).

### Quick links to reporting types

- Paper reporting
- Electronic transmission
- Combined electronic and paper reporting

### Paper reporting: Highway

125. Goods entering Canada by highway must be reported to the CBSA for authority to deliver at the FPOA. Goods travelling on an air transport document and travelling to Canada by truck ("flying trucks"), must meet the same requirements for CSA clearance (CSA importer, CSA carrier, FAST/CDRP driver) at the first point of arrival – CSA clearance cannot be requested inland. A cargo control document is not required however the carrier must always have supporting documentation on board.

### Data requirements

126. Bar codes must be scanned in the formats indicated. For information regarding electronic arrival for highway carriers, please refer to paragraph 165.

### Single CSA importer: single CSA shipment

127. The following mandatory information is required for the Authority to deliver eligible goods under CSA Highway Paper:

Reporting requirements:

- CSA carrier code bar code
- CSA importer BN bar code
- Driver registration card

### Single CSA importer: multiple CSA shipments

128. 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:

- CSA carrier code bar code
- CSA importer BN bar code
- Driver registration card

### Multiple CSA Importers: Multiple CSA Shipments

129. 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:

- CSA carrier code bar code
- CSA importer #1 BN bar code
- CSA importer #2 BN bar code
- CSA importer #3 BN bar code
- Driver registration card



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

### Mixed Loads (CSA with Non-CSA)

130. 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.

131. Goods aboard a conveyance that are ineligible for CSA clearance require advanced electronic cargo and conveyance data transmission regardless of the release option (i.e. PARS, RMD) being used to clear the goods. Goods being reported in the regular commercial lanes in the case of a mixed load (CSA and non-CSA) have the choice of including the CSA cargo in the advance electronic cargo and conveyance data transmission or only transmitting the advance data for the non-CSA cargo in addition to presenting the three (3) CSA bar codes for the CSA goods. For information regarding the electronic transmission of cargo and conveyance information consult *Memorandum D3-4-2, Highway Pre-arrival and Reporting Requirements*.

### Use of a Secondary CSA Carrier

132. Where an 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. For additional information regarding secondary carriers, see paragraph 102.

Reporting requirements:

- CSA primary carrier code bar code
- CSA importer BN bar code
- Driver registration card
- CSA secondary carrier code bar code

### Tracking Shipments

133. Carriers who have Release Notification System (RNS) or eManifest notices capability may trace their shipments transported into Canada, through RNS or eManifest 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 or eManifest message. When CSA carriers present a bar code shipment identifier at the time of report, the CSA carrier will receive an **authority to deliver** message for each shipment reported under CSA clearance.

134. 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 or eManifest message **authorizing to deliver** for individual shipments, the following must be provided in the format noted below:

Reporting requirements:

- CCN/TDN including CSA carrier code
- CSA importer BN bar code
- Driver registration card

135. 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. Therefore the CSA importer will not receive notification of release for CSA shipments, as the key field for identification of the release is the CCN/TDN. The systems that report the CSA shipment status are RNS and eManifest.

136. 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 assigned, CSA reference, remaining carrier CNN/TDN characters

137. 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

138. To facilitate clearance of the CSA shipment in highway mode, 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 the CBSA's system 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:

- Service option bar code (00497)
- CSA carrier code bar code
- CSA importer BN bar code
- Driver registration card

#### Means of presenting bar codes

139. While not a 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.

#### Passage history

140. 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 the CBSA's system 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**.

141. In the CSA paper-highway clearance, 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.

142. 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.

143. Bar codes must be scanned in the formats indicated under each service option. For information regarding EDI arrival for highway carriers, please see paragraph 165.

#### Paper reporting: Air, rail, marine

144. 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 carrier can obtain "authority to deliver" the goods upon presentation of the required bar codes. A cargo control document is not required; however, the carrier must always have supporting documentation on board.

#### Data requirements

145. Bar codes must be scanned in the formats indicated. For information regarding electronic arrival for air, rail and marine carriers, please refer to paragraph 184.

#### Single CSA importer: single CSA shipment

146. 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:

- TDN or CCN including CSA carrier code bar code
- CSA importer BN bar code

#### Single CSA importer: multiple CSA shipments

147. 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:

- TDN or CCN including CSA carrier code bar code
- CSA importer BN bar code

#### Multiple CSA importers: multiple CSA shipments

148. 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:

- TDN or CCN including CSA carrier code bar code
- CSA importer #1 bar code
- CSA importer #2 bar code
- CSA importer #3 Bar code
- Each importer will be processed as a separate passage.

### Mixed loads (CSA with non-CSA – less than container)

149. 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.

150. Goods aboard a conveyance that are not eligible for CSA clearance require advanced reporting as per eManifest guidelines and must use an existing means of report and release such as eManifest, PARS, RMD. The goods will not be permitted to move past FPOA until these requirements have been met.

### Use of a secondary carrier

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

Minimum reporting requirements:

- TDN or CCN including carrier code of the primary CSA carrier
- CSA importer BN bar code
- Carrier code of secondary CSA carrier

152. 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 FAST driver program or the CDRP as a condition for reporting goods under CSA clearance for **authority to deliver** unless operating in Highway mode.

### Tracking shipments

153. Carriers who have RNS or eManifest notice capability may trace their shipments transported into Canada 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 or eManifest 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.

154. 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 or eManifest notice with the **authority to deliver** for individual shipments, the following must be provided in the format noted below:

Reporting requirements:

- CCN/TDN including CSA carrier code
- CSA importer BN bar code

155. 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 or eManifest notice is not transmitted to CADEX participants. Therefore the CSA importer will not receive notification of release for CSA shipments, as the key field for identification of the release is the CCN/TDN.

### Facilitated clearance at PIL

#### Means of presenting bar codes

156. 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:

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

157. When the bar code information is presented to the CBSA, it is input into the CBSA's system 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.

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

- CSA air courier – At destination airport
- CSA air – At first point of arrival (first airport of landing)
- CSA rail – At the first CBSA office where rail service is provided, otherwise at first point of arrival
- CSA marine, for lake and coastal marine traffic - First point of arrival

### Examination of freight

159. Examination may occur at the border, or inland at the carrier's sufferance warehouse in the case of mixed loads. In all cases, the CBSA determines when an examination is necessary and where it will be conducted.

### Passage history

160. 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 CBSA's system 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**.

161. 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 transmission: Highway

162. All carriers must transmit in advance electronically cargo and conveyance reports as required in the *Transportation of Imported Goods Regulations* according to the time frames established by the mode of transport. CSA carriers are exempt from transmitting electronically when all conditions for CSA clearance are fulfilled. Authorized CSA carriers may present the required bar codes dependent on mode of transport in paper format at FPOA.

163. 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 and the goods must be eligible. However, CSA-approved carriers may also transmit their CSA report electronically to the CBSA for authorization to deliver CSA eligible goods if they choose. Refer to the ECCRDs Chapter 18: Customs Self Assessment (CSA) Carrier and Chapter 7: Advance Commercial Information (ACI) / eManifest Highway Portal for information about the required data elements, message maps and code tables.

164. The conditions as outlined in the ECCRD apply to all cargo and conveyance data transmitted electronically. Where there is a mixed load of both exempt and non-exempt cargo, clients will be required to send conveyance data as well as data for non-exempt cargo. The ECCRD is available by contacting the CBSA TCCU at 1-888-957-7224 or by email at [tccu-ustcc@cbsa-asfc.gc.ca](mailto:tccu-ustcc@cbsa-asfc.gc.ca).

165. Transmission of electronic highway cargo and conveyance reports must be received and processed by the CBSA at least **one hour** before reaching the FPOA. Electronic 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. For additional information please see *Memorandum D3-4-2, Highway Pre-arrival and Reporting Requirements*.

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

- the Highway Cargo Report A8A,
- the Highway Conveyance Report A9

### Cargo report (pre-arrival)

167. 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 chapter 18 of the ECCRD, CSA Participant Requirements Document (PRD) for Carriers message maps.

### Conveyance report (pre-arrival)

168. The conveyance report not only provides details about the conveyance itself, but is also used to list all related cargo. See [Appendix E: Link Between the Cargo Report and the Highway Conveyance Report](#) for a table demonstrating how the A8A *Cargo Reports* link to the A9 *Highway Conveyance Report*.

169. In the EDI environment, at least one cargo report number must be listed on the related conveyance report. A maximum of 2000 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

170. 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:

- Service option 00976
- Conveyance report number including the carrier code
- Driver registration card when CSA eligible goods are being reported

171. 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)

172. 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.

173. 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.

174. 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

175. 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. For additional information regarding secondary carriers, see paragraph 102.

176. For an overview of EDI scenarios, refer to [Appendix A: Scenarios](#).

### Tracking shipments

177. Carriers who have RNS or eManifest notice capability may trace their shipments transported into Canada, 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 or eManifest 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.

178. 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:

- CCN including CSA carrier code
- CSA importer BN bar code
- Driver registration card

179. 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

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

#### Examination of freight

181. Examination may occur at the border, or inland at the carrier's sufferance warehouse in the case of mixed loads. In all cases, the CBSA determines when an examination is necessary and where it will be conducted. Carriers may be required to backhaul cargo to a central examination facility.

#### Passage history

182. 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 CBSA's system 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**.

183. 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.

### Electronic transmission: Air and marine

184. CSA-authorized carriers in air and marine modes may use the RNS arrival message both to affect CSA clearance and to "arrive" the shipment electronically. In air mode, the transmission of cargo and conveyance reports must be received and processed by the CBSA once the plane is "wheels up." In marine mode, the transmission of cargo and conveyance reports must be received and processed by the

CBSA a minimum of 24 hours before reaching the first point of arrival. 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.

185. The RNS arrival message includes:

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

186. 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 affect clearance. Otherwise, an **authority to deliver** message will be returned. 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.

187. 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 PRD for Carriers, chapter 18 of the ECCRD. The CSA PRD for Carriers is available by contacting the CBSA’s TCCU at **1-888-957-7224**.

188. Details of the EDI 931 arrival message can be found in section 2.8 of the CSA PRD for Carriers, a chapter of the ECCRD.

### Electronic transmission: Rail

189. Where a rail carrier transports goods reported under CSA clearance into Canada, the goods may be reported using the CSA non-highway paper option. Alternatively, rail carriers may report the goods for automated authority to deliver for CSA clearance by transmitting electronically via eManifest as described in [Memorandum D3-6-6, Rail – Pre-arrival and Reporting Requirements](#). For information about the CSA EDI requirements and message maps, refer to the CSA PRD for Carriers, chapter 18 of the ECCRD including [Appendix C: Bar Code Specifications for EDI Carriers](#), 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:

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

190. 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

191. 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.

192. 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:

- CCN/TDN including CSA carrier code
- CSA importer BN bar code

193. 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

194. Examination may occur at the border, or inland at the carrier’s sufferance warehouse in the case of mixed loads. In all cases, the CBSA determines when an examination is necessary and where it will be conducted.

#### Passage history

195. 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 CBSA’s system 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**.

196. 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 electronic and paper reporting

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

### Highway

198. The driver must present a paper manifest to the CBSA to report cargo in the event that the cargo is not electronically linked to a conveyance.

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

200. This manner of reporting must be at the primary office, not at the PIL booth.

201. A mix of non-CSA shipments reported electronically may use the process above in addition to presenting paper lead sheets for CSA. It is at the officer's discretion to process both the electronic 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.

### Systems outages

#### CBSA unplanned outage

202. The CBSA [System Outage Contingency Plan](#) sets out the procedures for importing commercial goods in the event of a full CBSA system outage in all modes. Clients may contact the TCCU at 1-888-957-7224 for additional clarification.

## Section 4: Transportation of Goods

203. 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: CSA authorization](#) of this memorandum.

204. 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. The consignee is required to provide Proof of Delivery to the carrier.

### Conditions for authorization to deliver

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

- 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 when using a FAST lane;
- the carrier transporting the goods into Canada is an authorized CSA carrier;
- the importer of the goods is an authorized CSA importer;
- the goods are reported to the CBSA under section 12 of the Act;
- the goods are eligible for CSA clearance; and
- the goods must be destined for delivery to a valid CSA consignee, approved by the CSA importer.

206. 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 and released using an existing alternate option such as RMD or the PARS.

### Authority to deliver

207. 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.

208. 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 by the carrier using minimal requirements, and release is affected by the receipt of the goods at the place of business of the importer, owner or consignee.

209. 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.

210. 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:

- destroyed while being transported
- received in a CBSA office, bonded warehouse or duty free shop
- 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
- exported; or
- received (released) at the place of business of the importer, owner or consignee

211. 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:

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

212. Information about sufferance warehouses is provided in [Memorandum D4-1-4, Customs Sufferance Warehouses](#).

213. Further clarification on goods not delivered can be obtained under paragraph 228 of this memorandum.

### **Proof of delivery**

214. 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.

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

216. In addition to proof of delivery, the carrier who transports goods into Canada is required to keep all 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 CBSA officer, in an accessible and readable copy.

217. 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 2011, then the carrier is to keep the related records until December 31, 2014. For additional information on CSA record-keeping requirements, refer to paragraph 7(2) of the *Transportation of Goods Regulations*.

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

219. 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.

### **Sealing requirements**

220. As indicated in *Memorandum D3-1-1, Policy Respecting the Importation and Transportation of Goods*, with regards to conveyances and containers that have been authorized to move inland to a sufferance warehouse, the sealing of conveyances and containers are only required for the following specific CBSA circumstances:

- Carriers who must meet sealing requirements as participants of the CBSA's trusted trader programs
- Note: Member companies of the PIP program have agreed to use high security seals in their international supply chains. The responsibility for the use of high security seals rests with the PIP approved importer and the PIP approved carrier. More specific information on PIP can be found in [Memorandum D23-1-1 Partners in Protection Program](#)
- Cargo that is prohibited, controlled or regulated by any Act of Parliament
- In-transit movements to point of final export



- Movement of conveyances and containers from the FPOA to a CBSA examination location

221. Bonded carriers and freight forwarders will be allowed to move unsealed cargo between inland sufferance warehouses.

222. This does not negate the industry's obligation to fulfill any legislative or regulatory program requirements of other government departments that pertain to the sealing of conveyances and containers.

223. The CBSA reserves the right to seal any conveyance, container, or compartment at any time. **The seal must remain intact until it is removed or authorized for removal by a CBSA officer.**

224. It is important to remember that if the carrier is both CSA and PIP approved, the PIP sealing requirements supersede the CSA requirement.

### **Breaking Bulk**

225. The carrier's terminal may be used for break-bulk (only when a CBSA seal has not been affixed), 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. The goods transported by the authorized carrier do not have to be eligible for CSA clearance.

### **Trade Chain Partner Lists**

226. Carriers who apply to and hold authorization under the CSA program are required to maintain and provide, upon request, profile information on specific TCPs to the CBSA for verification purposes, namely:

- 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
- Owner-operators, under written contract to provide their equipment exclusively to the CSA carrier, who transport CSA shipments into Canada for the CSA carrier

227. 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.

### **Goods Not Delivered**

228. 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.

229. 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 assigned CBSA officer as soon as the 40 days has elapsed. The information may be submitted by paper, disk or email, as agreed by the carrier's assigned CBSA officer. 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 F: 40 Day Report](#).

230. 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**

231. 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.

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

### **Registered CDRP or FAST Drivers**

233. Information about the CDRP and the FAST Commercial Driver Program can be found on the [CBSA](#).

234. 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 CBSA's system to complete passage history information.

235. Any non-registered drivers or passengers onboard will be subject to normal admissibility questioning. This may result in delays and affect the expedited processing time you would usually expect with CSA clearance. 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.

236. In order to use the FAST lane, all occupants in the vehicle must have a valid CDRP or FAST driver registration card.

### **Lost or Stolen CDRP or FAST Cards**

237. Where the driver has forgotten his or her card, the BSO may verify the driver's status in the CBSA's systems. However, the driver will be delayed until the status of his or her authorization is verified. Drivers must report any lost or stolen cards to the CBSA.

238. CDRP and FAST drivers must notify the CBSA immediately if their CDRP or FAST registration card has been lost or stolen by calling 1-800-842-7647.

### **Non-Registered Driver**

239. CSA highway carriers requesting CSA clearance for CSA-eligible goods are required to use a registered CDRP or FAST driver.

240. 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. CSA clearance should not be used if not all the conditions are met. If one of the requirements is not met, the BSO will advise the driver that the current means of report and release such as eManifest, PARS, RMD, etc. must be completed and will be referred to Primary. The goods will not be permitted to move past FPOA until these requirements have been met.

### **Empty Conveyances**

241. Authorized CSA carriers are exempt from transmitting pre-arrival empty conveyance data provided that they produce the following documentation to the PIL BSO in Highway mode:

- A valid FAST or CDRP card for the driver of the commercial vehicle; and
- A CSA carrier code in bar coded format

242. Since CSA carriers do not require pre-arrival data for empty conveyances; the CBSA will not require a transmission of such in cases where Instruments of International Trade (IIT) is the only cargo on board. To report the IIT on board the conveyance the driver must provide:

- A verbal declaration stating that an IIT is on board; and
- A bill of lading that confirms the IIT (upon request)

243. Carriers that are authorized for the PIP program or the CSA **and** PIP programs may use the FAST lane when a CDRP or FAST driver is hauling an empty conveyance. Should any passengers be on board, they must also be CDRP or FAST approved.

For additional information regarding empty conveyances and IIT's please see [Memorandum D3-1-5, International Commercial Transportation](#).

## **Section 5: Compliance**

### **Carrier Obligations**

244. CSA participation requires ongoing communication and updates of data between the approved carrier and the assigned CBSA officer. Using the parameters agreed upon by the client and the CBSA officer during Part 2 of the CSA application process, updates of these lists, or nil reports will be supplied to the assigned CBSA officer in the applicable format. The CSA carrier is required to inform the CBSA officer of changes to information provided in the application 30 days before they occur. See [Appendix D: Changes to the Part 2 Application](#) Information for a table of exceptions to the 30-day time frame. The CBSA officer may request that the CSA carrier provide the CBSA officer with an updated version of the Part 2 CSA Carrier Application (listings, flag and screen prints). Should the carrier fail to inform the CBSA officer of any of these changes or fail to provide the information requested by the CBSA officer an action plan may be initiated, the carrier may receive a penalty, or the carrier may be suspended or removed from the program.

245. 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 CBSA officer should be notified in writing immediately. This obligation applies whether the CSA program or any other reporting process was used.

### **Penalties**

246. Carriers who do not comply with the requirements of the CSA program may be subject to penalties under the Administrative Monetary Penalty System (AMPS). CSA carriers are not exempt from other non-CSA penalties that may also apply. More information on AMPS is available in [Memorandum D22-1-1, Administrative Monetary Penalty System](#).

### **Post-Incident Analysis (PIA)**

247. The CBSA may conduct a Post-Incident Analysis (PIA) following an incident or breach of supply chain security. A letter of notification will be sent to the program member via the CCP if enrolled, or via mail if not enrolled in the CCP when a PIA has been initiated. The letter of notification will state the reason for the PIA and request the member's participation.

248. The purpose of a PIA is to assess compliance with program requirements or obligations under the Act following a security-related incident and to implement any necessary corrective action. A PIA will not be conducted at the request of another program or agency without grounds directly rooted in CSA program policy.

The PIA will seek to:

- identify the source of the incident
- assess the member's response and cooperation with customs regulations and law enforcement (including self-reporting); and
- ensure the implementation of corrective measures to prevent future incidents

249. Incidents that require a PIA may be brought to the attention of the CBSA by means of:

- voluntary disclosure by the business or its authorized representative
- communications with CBSA operations, including border services officers
- court decisions or legal publications

250. At the discretion of the CBSA, membership and related benefits, such as access to FAST lanes entering Canada, may be maintained or suspended throughout the duration of a PIA depending on the severity of the incident.

251. The outcome of a PIA may consist of:

- an action plan to outline corrective measures in response to the incident; and/or
- suspension or cancellation of program membership

If the program member gives an unsatisfactory explanation as to the possible cause(s) of the incident, fails to respond effectively to the incident, and/or is unwilling or unable to participate in a PIA, then program membership may be suspended or cancelled at the discretion of the CBSA.

252. A letter of notification will be sent to the program member via the CCP if enrolled, or via mail if not enrolled in the CCP when a PIA has been concluded. The letter of notification will state the outcome of the PIA and will provide an effective date for the CBSA's decision. A cancellation decision as a result of a PIA is subject to appeal.

### Action Plans

253. An action plan constitutes a mutual agreement between the importer and the CBSA. Action plans are administered to resolve specific incidents of non-compliance and do not necessarily result in an automatic suspension or cancellation of a CSA authorization. Action Plans are created to formally document identified compliance issue(s), provide a means by which to resolve the issue(s) as well as providing follow-up and support until such situations are corrected.

254. Action plans may be created for issues of non-compliance which fall under either section 10.6(1) (suspension from the program) or 10.6(2) (cancellation/removal from the program) of the AIGPDR.

255. An action plan may be instituted for a period of up to 6 months, however should the carrier feel they require additional time within which to address or correct the issue(s) they may submit a written request for an extension of time via the CCP if enrolled, or via mail if not enrolled in the CCP.

256. Should a carrier feel that an action plan is not warranted, the carrier should contact the Officer identified in the CCP for their case. It is important to note that an action plan cannot be appealed as it is an interim measure to aid a client with compliance issues. If a client does not follow through with the required corrective actions their CSA authorization may be suspended or cancelled. Extension requests and action plan inquiries can be made through the CCP if enrolled, or via mail if not enrolled.

### Revalidation

257. For a participant to maintain good standing in the CSA carrier program, the assigned CBSA officer must validate that participant regularly. This process will validate that the CSA-approved carrier is fulfilling all CSA obligations (see paragraph 244 for detailed information regarding obligations) and determine if an action plan is required.

258. The purpose of the validation process is to determine:

- that all CSA obligations continue to be met
- that the approved CSA client is knowledgeable about the operational requirements of the program
- that an action plan will be implemented, if required
- that any existing action plans are evaluated
- if any Administrative Monetary Penalties (AMP) are required for non-compliance are issued
- continued participation or removal from the program can be determined; and
- that the client remains low risk

## Appendix A: Scenarios

### Clearance method: CSA clearance

- Driver is to be registered
- At PIL:
  - Cargo automatically arrived
  - Goods authorized for delivery or referred for examination

Inland: Goods authorized to deliver may be delivered to place of business of the importer, owner or consignee

### **Clearance method: PARS in good standing with CSA goods on the conveyance (Cargo report to and from a frontier office)**

- Driver is to be registered
- At PIL:
  - Goods in recommend release status are adjusted to released status
  - Conveyance is authorized to move
- Inland:
  - Carrier arrives the goods at an SO or Sufferance Warehouse
  - Goods in released or authorized to deliver status may be delivered

### **Clearance method: PARS in good standing with no CSA goods on the conveyance (Cargo report to and from a frontier office)**

- Driver is not required to be registered
- At PIL:
  - Goods in recommend release status are adjusted to released status
  - Conveyance is authorized to move
- Inland:
  - Carrier arrives the goods at an SO or Sufferance Warehouse
  - Goods in released status may be delivered

### **Clearance method: 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
- At PIL:
  - 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
- 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

### **Clearance method: 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
- At PIL:
  - Goods **are not** adjusted to released status
  - Conveyance with no frontier examination message attached is authorized to move
  - Destination port will require change from frontier to inland
- 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

## **Appendix B: 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 C: 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) Commercial Driver Program.

### **Mandatory data elements for CSA clearance**

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

- CSA-approved carrier's carrier code
- CSA-approved importer's business number
- 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 code format of the secondary carrier, **must** also be provided when the goods arrive.

## Optional data elements for CSA clearance

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

- CSA service option number
- Transportation document number

## Mandatory data element definitions and use

**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 (TDN), 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 Canada Revenue Agency 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 element definitions and use

**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 code 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 code data elements

It is the approved CSA 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 code data elements. Using this lead sheet will make it easier for border services officers to scan the bar code 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 code data elements **must be approved** by the CBSA officer before using the CSA clearance process.

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





1. CSA-approved carrier's carrier code
2. CSA-approved importer's business number
3. 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:

1. CSA service option number
2. 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
3. CSA-approved importer's business number
4. If applicable, the CSA-approved secondary carrier's carrier code

Please refer to the following examples.

**Recommended lead sheet: Example 1**

CSA lead sheet
 00497
CSA service option
 9999
CSA-approved carrier's carrier code – include name
 123006789RM0001
CSA-approved Importer's Business Number – include company name
 9988
CSA-approved (secondary) carrier's carrier code – include company name

**Example 1** outlines all the mandatory and optional bar codes available on a CSA lead sheet except the approved driver registration number, in the correct order, with an example of acceptable headings and descriptions provided next to each bar code, that is:



1. Bar code: 00497; CSA service option
2. Bar code: 9999; CSA-approved carrier's carrier code – include name
3. Bar code: 123006789RM0001; CSA-approved Importer's Business Number – include company name

4. Bar code: 9988; CSA-approved (secondary) carrier's carrier code - include company name

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><b>CSA lead sheet</b></p> <p>Approved carrier code – company name</p>  <p><b>9999</b></p> <p>Approved importer number – company name Inc.</p>  <p><b>123006789RM0001</b></p>
---

**Example 2** is an abbreviated CSA lead sheet, containing only two of the mandatory data elements, and the acceptable headings for the document and bar codes, that is:

1. Bar code 9999; Approved carrier code – company name
2. Bar code 123006789RM0001; Approved importer number – company name Inc.

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 clearance process.

It is the responsibility of all CSA 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 code document samples or bar code labels to your CBSA officer.

### 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 2.

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%, with an optimum value of 75%.

### **Readability**

The average first read rate for bar code symbols produced must be 95% (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% 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 C: Bar code specifications for CSA-EDI carriers

The following instructions and guidelines are for **highway carriers who transmit electronically** to meet the CBSA's clearance requirements. CSA Carriers utilizing Service Options 00976 and 00984 of the eManifest Message Maps should [contact the TCCU](#) to obtain additional information regarding Bar Code specifications. If you are a carrier that does not transmit electronically to meet the CBSA's clearance requirements, please refer to [Appendix B: 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) Commercial Driver Program.

### Mandatory data elements for electronic transmission and clearance

In order to report EDI cargo, the following two mandatory bar code 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 code format as the secondary carrier.

### Optional data elements for electronic transmission and clearance

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

**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

### Presentation of the bar code data elements

A lead sheet must be used by the EDI carrier to present the bar code 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:

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



 9999123456789226	 123006789RM0001	CSA
---	---	-----

➤ **Text description: Recommended EDI-LTL carrier outage consist sheet - Example 1**

Complete these fields: (Carrier name); (Date); (Conveyance number)

If applicable, bar code format provided on lead sheet

Column 1 heading: Bar codes

Column 2 heading: CBSA

Column 3 heading: Service option

Row 1, Column 1: Bar code 9999123456789221

Row 1, Column 2 : Not applicable

Row 1, Column 3: PARS

Row 2, Column 1: Bar code 9999123456789222

Row 2, Column 2 : Not applicable

Row 2, Column 3: PARS

Row 3, Column 1: Bar code 9999123456789224

Row 3, Column 2 : Not applicable

Row 3, Column 3: PARS

Row 4, Column 1: Bar code 9999123456789225

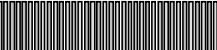

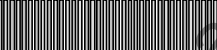

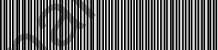

Row 4, Column 2 : Not applicable

Row 4, Column 3: PARS OGD

Row 5, Column 1: Bar code 9999123456789225

Row 5, Column 2 : Bar code 123006789RM0001

Row 5, Column 3: CSA

<b>EDI-LTL carrier outage</b>		
<b>Consist sheet</b>		
Carrier name: _____		
Date of entry to Canada: _____		
Conveyance number: _____		
if applicable, bar code format provided on lead sheet		
<b>Carrier bar codes</b>	<b>Importer bar codes</b>	<b>Service option</b>
 99991777588877	 123456789RM0001	CSA
 99991777588892	 123001119RM00	CSA
 99991777588899	 123006789RM0001	CSA

➤ **Text description: Recommended EDI-LTL carrier outage consist sheet – Example 2**

Complete these fields: (Carrier name); (Date of entry to Canada); (Conveyance number)

If applicable, bar code format provided on lead sheet

Column 1 heading: Carrier bar codes

Column 2 heading: Importer bar codes

Column 3 heading: Service option

Row 1, Column 1: Bar code 99991777588877

Row 1, Column 2 : Bar code 123456789RM0001

Row 1, Column 3: CSA

Row 2, Column 1: Bar code 99991777588892

Row 2, Column 2 : Bar code 123001119RM00

Row 2, Column 3: CSA

Row 3, Column 1: Bar code 99991777588899

Row 3, Column 2 : Bar code 123006789RM0001

Row 3, Column 3: 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.

For testing of bar codes, send a sample to the Technical Commercial Client Unit at:

Technical Commercial Client Unit  
Canada Border Services Agency  
355 North River Road, 6th Floor, Tower B  
Ottawa ON K1A 0L8

For more information:

E-mail: [tccu-ustcc@cbsa-asfc.gc.ca](mailto:tccu-ustcc@cbsa-asfc.gc.ca)

Telephone:

1-888-957-7224, Option 1 for EDI transactions / Option 2 for Technical Portal Assistance (calls within Canada and the United States)

613-946-0762 (overseas callers)

Fax: 343-291-5482

To obtain CBSA approval, please forward original bar code document samples or bar code labels to your CBSA officer.

## 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 2.

**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%, with an optimum value of 75%.

### **Readability**

The average first-read rate for bar code symbols produced must be 95% (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 % 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 D: Changes to the Part 2 application information**

<b>Type of change</b>	<b>Time frame for notification</b>
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 CBSA officer
Trade chain partners, EDI clients	before use of owner operator or terminal/warehouse
Errors, systems, problems, non-compliance etc.	upon discovery

## Appendix E: Link between the cargo report and the highway conveyance report

Table 1: Highway conveyance report

Individual cargo reports	(Highway conveyance report) Summarized on conveyance report with the conveyance report number
00984	00976
CCN/TDN CCN/TDN CCN/TDN	Conveyance report

## Appendix F: 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:

Table 2: 40 day report

Originating date	Importer name or business number	Cargo control number	Unit number	Location of goods	Shipper/consignee
Date goods entered Canada	To complete	Not required if CSA	Trailer or container number in which cargo entered Canada	City/Prov /Yard where goods are located	To complete

## Appendix G: Letter of authorization

(Sample only)

Business letter head

Date

To: Canada Border Services Agency

Subject: Letter of authorization

This is to advise you that:

Name of representative:

Address:

City/Province/State:

Postal/Zip-code:

Is authorized by:

Name of business:

Address:

City/Province/State:

Postal/Zip-code:

To provide information to the Canada Border Services Agency (CBSA) on behalf of the business as required in relation to the Customs self-assessment program (CSA).

(Business name) acknowledges that by authorizing the above noted representative, it assumes full liability for all information provided to the CBSA by their representative.

This authorization is valid until further notice.

Authorized Signature:

Title:

Telephone Number:

## References

Consult these additional resources.

## Applicable legislation

- [Accounting for Imported Goods and Payment of Duties Regulations](#)
- [Canada Border Services Agency Act](#)
- [Customs Act](#)
- [Presentation of Persons \(2003\) Regulations](#)
- [Privacy Act](#)
- [Transportation of Goods Regulations](#)

## Superseded memoranda D

*Memorandum D23-2-1: Customs self-assessment program for carriers*

## Issuing office

Trusted Trader Programs Unit  
Trusted Trader Programs Division  
Commercial and Trade Branch

## Contact us

[Contact border information services](#)

## Related links

- [CSA Trusted Trader Carrier Clearance Benefit Part 1 form](#)
- [CSA Trusted Trader Carrier Clearance Benefit Part 2 form](#)
- [CBSA website](#)
- [CBSA Info Source Chapter](#)
- [Memorandum D1-7-1, Posting Security for Transacting Bonded Operations](#)
- [Memorandum D3-1-1, Policy Respecting the Importation and Transportation of Goods](#)
- [Memorandum D3-1-5, International Commercial Transportation](#)
- [Memorandum D3-4-2, Highway Pre-Arrival and Reporting Requirements](#)
- [Memorandum D3-6-6, Rail Pre-arrival and Reporting Requirements](#)
- [Memorandum D4-1-4, Customs Sufferance Warehouses](#)
- [Memorandum D17-1-4, Release of Commercial Goods](#)
- [Memorandum D17-1-5, Registration, Accounting and Payment for Commercial Goods](#)
- [Memorandum D22-1-1, Administrative Monetary Penalty System](#)
- [Memorandum D23-1-1, Partners in Protection Program](#)
- [Memorandum D23-3-1, Customs Self-Assessment Program for Importers](#)
- [System Outage Contingency Plan](#)

