



Ottawa, October 7, 2003

# CUSTOMS NOTICE N-542

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## **Advance Commercial Information – Electronic Data Interchange (EDI) Cargo and Conveyance Reporting**

1. This notice announces the planned implementation of the Advance Commercial Information (ACI) initiative, and provides information on the effective date and details of the initiative, including the 24-hour advance cargo notification rule announced in April 2003 by the Honourable Elinor Caplan, Minister of National Revenue.
2. Extensive consultations with the business and trade communities were undertaken throughout the conception and development of this initiative to ensure that we were proceeding in a direction that is not only acceptable to but also endorsed by Canadian business.
3. ACI will be implemented in phases, beginning with the marine mode on April 19, 2004. The implementation schedule for other modes rail, air and highway will be announced in a future Customs Notice. There will be no changes to secondary cargo reporting procedures for marine shipments (e.g., house-bills, re-manifests, abstracts) during this phase of ACI implementation. Implementation of mandatory electronic secondary cargo reporting procedures will be phased in, subsequent to or concurrent with the implementation of other modes.
4. Under ACI, carriers and freight forwarders will report cargo and conveyance data electronically within established timeframes in advance of the arrival of the cargo and conveyance in Canada to enable CCRA to identify goods of unknown or high risk. The requirement for presentation of paper marine primary cargo and conveyance reporting documents for imports and in-transit shipments will be eliminated.
5. Advance electronic conveyance and cargo reporting will not be mandatory for vessels bound for Canada that contain only goods that were laden in the United States until a future phase of ACI. Current conveyance and cargo reporting requirements will continue to be acceptable for these vessels and their cargo.

## **Marine Cargo Reporting**

6. Marine carriers or their agents will transmit cargo and conveyance data in accordance with the specifications set out in a Participants Requirements Document for that purpose. Freight forwarders will also be permitted to transmit certain electronic cargo information to CCRA. The Participants Requirements Document and information about it can be obtained from:  
  
Manager  
Electronic Commerce Unit  
15th Floor  
Sir Richard Scott Building  
191 Laurier Ave. W.  
Ottawa ON K1A 0L5  
  
Telephone: 1-888-957-7224
7. If a carrier or freight forwarder is unable to comply with the requirement to transmit the information electronically, that carrier or freight forwarder must arrange for the information to be transmitted electronically to CCRA by another party.
8. The cargo data will include complete and accurate shipment descriptions. General descriptions such as “freight of all kinds,” “general merchandise,” “shipper’s load and count,” “said to contain,” and similar such terms will require more specific descriptions to be provided.
9. For goods in a cargo container to be loaded on board a vessel bound for Canada, the data pertaining to those goods must be transmitted electronically to CCRA at least 24 hours prior to lading the goods on board the vessel that transports those goods to Canada.
10. For bulk goods on board a vessel bound for Canada, the required information must be transmitted electronically to CCRA at least 24 hours prior to arrival in Canada. Generally, bulk goods means goods that are loose or in mass, such that they are confined only by the permanent structures of a large container or a transport unit, without intermediate containment or intermediate packaging. This definition is harmonized with the meaning of bulk goods given by United States Customs and Border Protection.

11. For goods other than described in sections 9 and 10, data must be transmitted electronically to CCRA at least 24 hours prior to lading the goods on board the vessel that transports those goods to Canada, unless otherwise authorized by CCRA. Where authorization is granted, the cargo data pertaining to those goods must be transmitted electronically to CCRA at least 24 hours prior to arrival in Canada.

Requests for this authorization should be forwarded to:

Manager  
Carrier and Cargo Policy  
Operational Policy and Coordination Directorate  
8th Floor  
Sir Richard Scott Building  
191 Laurier Ave  
Ottawa ON K1A 0L5

Information to be provided in the request for authorization includes carrier name and carrier code; the source, identity and means of the packaging or bundling of the commodities being shipped; the ports of call both foreign and domestic; the number of vessels the carrier uses to transport break bulk cargo, along with the names of the vessels and their International Maritime Organization numbers; and the list of the carrier's importers and shippers, identifying any who are members of Partners in Protection (PIP).

12. Marine carriers will report empty containers that are considered to be in shuttle service, listing all such containers under the responsibility of the marine carrier for a specific conveyance and voyage. Data pertaining to these empty containers must be transmitted electronically to CCRA within 24 hours of departure from the last foreign port of lading.

13. In some cases a freight forwarder who is contracted to transport or dispatch goods, and delivers or arranges the delivery of those goods to a marine carrier for lading on board a vessel at a foreign port, may not wish to divulge certain information to the carrier or its agent. In these cases the freight forwarder, when possessing a CCRA assigned code, may electronically transmit this information (known as supplementary data) directly to CCRA within the timeframes specified in sections 9, 10 and 11.

14. Freight forwarders requiring a carrier code solely for electronic transmission purposes, may obtain further information by calling Carrier and Cargo Policy at (613) 954-7081.

15. If goods referred to in section 9 and 11 for which cargo data has been transmitted, are removed from a vessel prior to arrival in Canada, and then laden aboard another vessel for transporting to Canada, cargo data must again be transmitted electronically to CCRA at least 24 hours prior to lading on board the vessel that transports those goods to Canada.

16. All goods laden in a country other than the United States, that will be Freight Remaining on Board (FROB) in Canada while in-transit to a third country (including the United States), must comply with the requirement to provide cargo information within the timeframes specified within sections 9,10 and 11.

17. Changes to cargo data should be made as soon as they are known. Most data corrections will result in the re-start of the 24 hour clock if the vessel has not yet departed.

Corrections to cargo information may be made electronically at any time until the liability for the payment of duties on the goods, as described in sub-section 20(2) of the *Customs Act*, transfers from the carrier. Once liability has transferred, any subsequent corrections would be in paper form to CCRA.

### Data Transmission

18. Upon receipt of a transmission that meets system edit rules, CCRA will issue an acknowledgement message. If the transmission does not meet system edit rules, CCRA will issue a reject validation message.

19. If an acknowledgement message is not received, the carrier/freight forwarder must resubmit corrected data for the conveyance/cargo within the timeframes for cargo reporting specified above.

20. For cargo reports where the Supplementary Data Indicator (see Participants Requirements Document) confirms that supplementary data will be provided, the estimated date/time of lading will be used to determine the 24 hour "prior to lading" timeframe for the commencement of risk assessment processing. If the supplementary data has not been received 24 hours prior to the estimated date/time of lading, CCRA will generate a reject message for the cargo concerned. It should be noted that supplementary data can precede the carrier cargo report.

21. Where the Supplementary Data Indicator confirms that no supplementary data is applicable, the CCRA will complete the risk assessment process within 24 hours of receipt/acceptance of the cargo data transmission.

22. If CCRA does not issue a "Hold for Examination" or "Hold for More Information" message within 24 hours of transmission where no supplementary information is applicable or before the Estimated Date/Time of Lading if supplementary information is applicable, the carrier may proceed with the loading of the shipment.

23. If the carrier receives a "Hold for More Information" message, then the information requested in the message must be transmitted to CCRA within the timeframes applicable to the cargo concerned. Once the CCRA is satisfied with the information received from the carrier/freight forwarder, the carrier will be advised that the hold has been removed.

24. If the carrier receives a “Hold for Examination” message, the customs administration at the foreign port of lading will contact the appropriate party to arrange for examination of the shipment.

25. Upon arrival in Canada specified containers/shipments may be held for examination or for the submission of additional information. In some situations, CCRA may issue “Do Not Unlade” messages pending the submission of additional data or the resolution of health, safety or security issues.

### Marine Conveyance Reporting

26. The conveyance data will include details identifying the vessel, its capacities, and scheduling and routing information.

27. For all vessels bound for Canada and transporting goods described in section 9 above, the conveyance data must be transmitted electronically to CCRA within 24 hours of departure from the last foreign port of lading.

28. For all vessels bound for Canada and transporting goods described in section 10 above, the conveyance data must be transmitted electronically to CCRA at least 24 hours prior to the vessel’s arrival in Canada.

29. For all vessels bound for Canada and transporting goods described in section 11 above, the conveyance data must be transmitted electronically to CCRA within 24 hours of departure from the last foreign port of lading. Where authorization for cargo data transmission at least 24 hours prior to arrival in Canada is granted for the goods, the conveyance data must also be transmitted electronically to CCRA at least 24 hours prior to arrival in Canada.

30. For all vessels bound for Canada and transporting a combination of goods described in sections 9, 10, and 11 above, the conveyance data must be transmitted electronically to CCRA within the most advanced (i.e. longest) timeframe stated for the goods transported. For example, for a ship carrying both containerized and bulk goods the conveyance data must be transmitted electronically to CCRA within 24 hours of departure from the last foreign port of lading.

31. In the case of consortiums, the master carrier is responsible for providing a conveyance report for the vessel. It will be the responsibility of the master carrier to advise all consortium members of the conveyance report number in a timely manner to enable their transmission of cargo data.

32. Changes to conveyance information that has been provided in advance may be made electronically at any time prior to the arrival of the vessel in Canada.

### Other Information

33. Failure to comply with advance notification requirements under ACI may result in the application of penalties and sanctions under the *Customs Act*.

34. The electronic transmission of export cargo/conveyance data, as outlined in the Participants Requirements Document, will be facilitated with the implementation of ACI. Questions regarding export processing should be addressed to:

Export Process Division  
191 Laurier Ave. W.  
Ottawa ON K1A 0L5

Telephone: 613 954-7160  
Facsimile: 613 946-0241  
Email: EXPORTS.CTAB@CCRA-ADRC.GC.CA

35. Subsequent to or concurrent with the implementation of mandatory EDI cargo reporting for all modes, electronic transmission of release data will be mandatory with Harmonized System (HS) classification codes for all commodities.

36. Inquiries and written comments about Advance Commercial Information and the 24 Hour Rule requirements should be directed to:

Manager  
ACI Program and Policy Development  
Advance Commercial Information Division  
Major Project Design and Development  
Customs Branch  
8th floor  
Vanguard Building  
191 Laurier Avenue West  
Ottawa ON K1A 0L5

Telephone: (613) 954-7077  
Facsimile: (613) 957-9562

