

ELECTRONIC COMMERCE CLIENT
REQUIREMENTS DOCUMENT

5.0 CUSTOMS SELF ASSESSMENT

**5.2 PARTICIPANTS' REQUIREMENTS DOCUMENT
FOR IMPORTERS**

**April 7, 2009
(Version 1.1)**

PUBLISHED BY
ELECTRONIC COMMERCE UNIT
INNOVATION, SCIENCE AND TECHNOLOGY BRANCH
UNDER THE AUTHORITY OF THE
MINISTER OF PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

FOREWORD

The following document, which is a sub-section of the Electronic Commerce Client Requirements Document (ECCRD), is intended for reference purposes. Clients are advised that its content is subject to revision and amendment given the possibility of policy changes, system upgrades and changing operational requirements. That being said, the Electronic Commerce Unit (ECU) of the Canada Border Services Agency (CBSA) will endeavour to provide as much advance notice as possible of major system changes and will notify clients of upcoming changes via e-mail. Please ensure that your e-mail address information is kept up to date with the ECU.

This section of the ECCRD is the **Customs Self Assessment (CSA) Participants' Requirements Document (PRD) – for Importers**. (Carriers should consult the ECCRD, Chapter 5.1, CSA Carrier PRD.) It is mandatory reading material for all CSA participants. It is recommended that EDI participants' technical staff review all narrative sections of this document in conjunction with the EDI message maps, supporting data element glossaries, and code tables, contained in the "CSA Importer PRD Appendix B - EDI Message Maps and Code Tables" document ("Appendix B"), as some operational rules associated with the CSA program affect non-CSA systems programming. It is also recommended that EDI participants review the Type-X B3 Adjustment CADEX Format Examples found in the "CSA Importer PRD Appendix C – CADEX Format Examples" document ("Appendix C").

This material has been prepared as an informational document for participants in the CSA program. The contents give an overview of the EDI environment at the CBSA and the implementation methodology associated with the CSA program. The main purpose of this document is to assist CSA participants with their internal implementation. Specific CSA program details and other relevant information requirements are supplied.

This document will be referred to as the **CSA Importer PRD**. It is divided into several sections, with a number of appendices, to address the various levels of information required by the participants.

Note: The assumption in this PRD is that the client is already an EDI participant. If you are not already an EDI participant, you will require other ECCRD chapters as reference for existing CBSA EDI functionality, namely:

- **Section 1.0, CADEX PRD**
- **Section 2.0, CUSDEC/ENTRY EDIFACT B3 PRD**
- **Section 3.0, ACROSS – EDI PRD**
- **Section 4.0, RNS PRD**

Unless otherwise stated in the CSA Importer PRD, all contents of existing CBSA PRDs (i.e., ACROSS – EDI PRD, RNS PRD, CUSDEC/ENTRY EDIFACT B3 PRD, and CADEX PRD) will still apply.

If you have any questions or wish to order documents, please contact:

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1.0 PROFILE

1.1 INTRODUCTION

1.1.1 The Customs Self Assessment (CSA) program fundamentally re-engineers the Canada Border Services Agency (CBSA) commercial process for reporting and accounting of trade data and includes a new clearance process for low-risk shipments from the United States. It reflects a new generation of thinking, in response to the evolving global business environment.

1.1.2 CSA focuses on establishing a partnership agreement, based on risk assessment and improved technology, between the Canada Border Services Agency (CBSA) and businesses. This partnership eliminates many of the traditional impediments to the daily conduct of import business. Canadian businesses can depend on the predictable and timely release of goods, which in turn reduces costs and increases competitiveness. At the same time, the CBSA gets to know its commercial business clients better and concentrates its resources on unknown and high-risk clientele.

1.1.3 With CSA, we have moved from the existing transactional reporting approach to a self-assessment approach. Companies register with the CBSA, make reports to the government providing trade data, and assess their own duties, taxes, and interest.

1.1.4 To administer trade policy and meet the needs of Statistics Canada and other government departments (OGD's), the CBSA still requires trade data information from the importer. However, participating companies no longer have to supply detailed release information to the CBSA on a shipment-by-shipment basis. By changing trade data accounting from the current border transaction method to a mechanism triggered by the company's commercial books and records, the reporting burden for importers is significantly less.

1.1.5 Identifying trade partners as low risk enables the CBSA to streamline the clearance and accounting process for their shipments. Routine examination of goods for compliance is replaced with an agreement between the CBSA and known low-risk businesses. The CBSA looks at the compliance history of the company as a whole rather than numerous low-risk shipments.

1.1.6 The CBSA will manage risk through profile targeting of the importer, carrier, and driver. The CBSA will also verify compliance by occasionally examining goods at the border, by conducting compliance verification reviews, and monitoring activities.

1.1.7 Highway carriers will be required to use drivers who are registered with either the Commercial Driver Registration Program (CDRP) or the Free And Secure Trade (FAST) driver registration program to use CSA clearance service options. In order to qualify for either program, drivers must also meet all CBSA eligibility criteria. Qualifying drivers will be issued a registration card, which will be presented for verification to the customs inspector at the first point of arrival. Books and records used by approved CSA carriers must provide sufficient controls, as the CBSA will no longer maintain inventory control on CSA shipments. Carriers must demonstrate that they can segregate north- and southbound shipments, distinguish CSA from non-CSA shipments, provide an audit trail, and meet CSA eligibility requirements.

1.2 PURPOSE

1.2.1 The CBSA has developed a process of risk assessment to meet its clients' evolving needs. Such a process allows the CBSA to manage its workload more efficiently in a climate of cost restraint.

1.2.2 The CBSA's non-CSA reporting, release and accounting processes are based on a transactional model, which allows very little flexibility in terms of expediting the flow of goods through customs. Under CSA, pre-approved, low-risk importers, carriers and drivers have access to streamlined clearance of approved, low-risk goods. They are also required to use their own commercial business systems to generate customs reporting and accounting and for periodic verifications by the CBSA. In addition, importers self-assess the duties, taxes, and interest they owe and pay them through a Canadian financial institution. Carriers are responsible for creating and maintaining an audit trail that identifies and tracks CSA shipments from origin to delivery.

1.3 SCOPE

1.3.1 GENERAL

1.3.1.1 This document outlines the new Electronic Data Interchange (EDI) processes introduced by the CSA program, as well as details on bar-code requirements for paper-based CSA shipments. You can find more information on the CSA program in D Memorandum D17-1-7, CSA Program for Importers, and D3-1-7, CSA Program for Carriers.

1.3.1.2 Importers participating in the CSA program must be able to transmit the following electronically:

- (a) B3 entries to provide trade data (see section 4.0); and
- (b) X-Type electronic adjustments to data previously transmitted on B3s (see section 7.0).
- (c) monthly Revenue Summary Form (see section 6.0).

1.3.1.3 Importers must also send the following to the CBSA. However, based on volume of updates, they can send it either electronically or on paper:

- (a) updates to vendor listing (see section 3.4);
- (b) updates to consignee listing (see section 3.5); and

1.3.2 RELEASE NOTIFICATION SYSTEM (RNS) ARRIVALS

1.3.2.1 CADEX RNS participants that use the CADEX system to retrieve the Notification of Release report will not receive electronic notification of CSA clearances, as no transaction number is presented at the time of release. However, they will continue to receive release notification messages for service options where a transaction number is used.

1.3.3 CSA EDI MESSAGE TYPES

1.3.3.1 Implementation of the CSA program restricts the number of message standards and map versions that support the changes for CSA. Therefore, importers who wish to transmit information to the CBSA electronically must choose from the following messages:

MESSAGE TYPE	INBOUND TO CBSA	OUTBOUND TO CLIENT	DATA FORMAT
Trade Chain Partner (TCP) Consignee/Vendor Updates	☐		UN/EDIFACT version 99B
Revenue Summary Form (RSF)	☐		UN/EDIFACT version 99B
Functional/Application Acknowledgment for Trade Chain Partner (TCP) Consignee/Vendor Updates and Revenue Summary Form (RSF) Response		☐	UN/EDIFACT version 99B
B3 Entry Mapping - Adjustments (X Type) Customs Declaration (CUSDEC)	☐		UN/EDIFACT version 99B
CCS Entry Functional Exception Message Mapping - Adjustments (X Type) Customs Response (CUSRES)		☐	UN/EDIFACT version 99B
CCS Entry Response Message Mapping - Adjustments (X Type) Customs Response (CUSRES)		☐	UN/EDIFACT version 99B
CADEX -Adjustments (X Type) Input Records	☐		CADEX
CADEX –Adjustments (X Type) Output Records* (*See: CADEX PRD for Output Records)		☐	CADEX
Release Notice System (RNS) Arrival 96A	☐		UN/EDIFACT version 96A
Release Notice System (RNS) Response 96A		☐	UN/EDIFACT version 96A
Release Notice System (RNS) Arrival 99B	☐		UN/EDIFACT version 99B
Release Notice System (RNS) Response 99B		☐	UN/EDIFACT version 99B

***Technical note to UN/EDIFACT data format users transmitting data over the CADEX line:** When submitting an UN/EDIFACT transaction, any records larger than 80 characters, delimiters included, should wrap to a new record. For example, a 250-character record would be placed on three individual 80 character records and one 10 character record.

1.4 OVERVIEW

1.4.1 Before importers can qualify under the CSA Program, the CBSA will ensure that their business systems and processes meet the mandatory requirements for CSA. CSA clients will:

- (a) have a sound communication process with vendors, suppliers, and their internal departments such as purchasing, logistics, traffic, customs, receiving and accounts payable; and with their carriers and designated CBSA service provider (if applicable), to ensure accurate and complete reporting to the CBSA;

- (b) ensure that their business systems support the elimination of inventory control by the CBSA;
- (c) ensure the format of data meets CBSA specifications (CADEX or UN/EDIFACT);
- (d) complete systems testing with the CBSA before using any of the electronic transactions;
- (e) maintain a current list of Trade Chain Partners (TCP). CSA participants must maintain these lists electronically if they have more than 25 TCPs. CSA importers must maintain current lists of vendors and consignees (updates must be received by CBSA prior to importation);
- (f) maintain high levels of compliance with CBSA programs.

1.5 DESIGN CONSIDERATIONS

1.5.1 GENERAL

1.5.1.1 For CSA importers, the meaning of release under section 2 of the Customs Act (the *Act*) includes the receiving of goods at the place of business of the importer, owner, or consignee. CSA importers must transmit a release date on all B3 entries, regardless of the service option used to enter the goods. Therefore, the date the goods are physically received by the importer, owner or direct ship consignee is used as the release date transmitted to the CBSA on the B3 entry, unless the actual CBSA release date is used.

1.5.1.2 CSA importers do not have to provide appraisal quality invoices (AQ), or invoice data, for any shipments. However, CSA importers must still provide this level of detail when other government departments require the information (must be "AQ included"), e.g. for import permits, certain agricultural products, etc. If "AQ to follow" is indicated, and a CBSA officer requests this information, it must be provided in paper format.

1.5.1.3 Importers must report details of the duties and taxes owing to the CBSA. Importers must transmit the information electronically on a Revenue Summary Form (RSF) to the CBSA no later than the last business day of the month (see section 6.0 for more information).

1.5.1.4 Importers must remit payment at a Canadian financial institution by the last business day of each month. The amount paid must equal that reported on the RSF. For those CSA importers who wish to remit their payment electronically, please contact your compliance manager for the mapping requirements for electronic bank remittance.

1.5.1.5 CSA clients must submit B3 trade data and adjustments electronically. Adjustments are made electronically on the X-type entry utilizing the authority of sections 32.2 and 74 of the *Act*. See section 7.0 for more information.

1.5.1.6 CSA importers must maintain a current list of trade chain partners (U.S. and Mexico vendors and direct-delivery consignees) with the CBSA.

- (a) If the CSA participant has more than 25 trade chain partners, they must make changes to the list electronically.
- (b) If the CSA participant has fewer than 25 trade chain partners, they can notify the CBSA CSA

compliance manager of the changes by fax or arrange for registered delivery to the CBSA.

1.5.1.7 CSA shipments are authorized for delivery at the border, not released. Similar to in-bond shipments, CSA carriers will be responsible for duties and taxes of the CSA shipments, if the shipment is not delivered to the authorized importer, owner, or consignee (see section 2.1). For this reason, authorized importers, owners, or consignees must provide, to the carrier, proof of delivery for all CSA shipments.

2.0 CSA CLEARANCE PROCESS

2.1 GENERAL BUSINESS RULES

2.1.1 CSA importers may elect to use a streamlined clearance process for eligible shipments, carried by CSA-approved carriers, and - for highway mode - reported by registered drivers. This clearance option provides:

- (a) increased certainty at the border, resulting in more assurance that goods will not be held up;
- (b) savings, since importers will no longer need to intervene at the time of clearance; and
- (c) the elimination of transactional release information from the importer. Instead, importers go through a comprehensive application process and maintain a current list of U.S. and Mexico vendors and direct-delivery consignees with the CBSA.

2.1.2 Generally, CSA clearance requires three data elements, i.e. CSA Importer Business Number (BN), CSA Carrier Code, and registered driver number.

2.1.3 If the CSA carrier does not provide cargo and conveyance information electronically pre-arrival, the CSA carrier must present bar-coded* information upon arrival.

***Note:** A bar-coded CSA lead sheet is recommended for expedited clearance. (See Memorandum D3-1-7, for suggested bar code sequence and technical requirements)

2.1.4 The submitted data elements will be verified electronically at the primary inspection line (PIL) in highway mode or upon arrival for other modes. When all submitted data elements are validated, the carrier will be authorized to deliver the CSA shipment.

2.1.5 CSA importers are required to provide their BN to carriers to use the CSA clearance process.

2.1.6 In order to remain consistent across modes of transport, cargo control documents will not be required to clear a CSA shipment. However, drivers must have available, at the time of report, commercial documents (such as bills of lading) that provide: a general description of the goods, name and address of where the goods were picked up, quantity, weight, and the name and address of the consignee.

2.1.7 All eligible commercial goods entering Canada and cleared under CSA must be imported by a CSA-approved importer and transported by a CSA-approved carrier using a registered driver.

2.1.8 Appraisal quality invoices are **not** normally required (i.e. at the time of release or accounting) for clearances by CSA importers, **except** where other government departments require the presentation of such

invoices or upon demand by a CBSA officer.

2.1.9 The primary CSA carrier will be liable for the duties and taxes on imported CSA shipments until received at the place of business of the importer, owner, or consignee. The primary carrier must obtain and keep proof of delivery for audit trail purposes. Proof of delivery will represent CBSA release and transfer the liability for the shipment from the CSA carrier to the CSA importer.

2.1.10 No matter what service option the importer uses to clear imported goods (e.g. RMD, PARS, CSA, etc.), the CSA importer must report B3 trade data, pay duties, taxes and interest, and make corrections in accordance with CSA requirements.

2.1.11 Clearance records entered in the CBSA's system relating to the Business Number (BN) of a CSA importer do not require acquittal. Under CSA, there is no link between the clearance decision in the Accelerated Commercial Release Operations Support System (ACROSS) and accounting acceptance in the Customs Commercial System (CCS). **All** goods imported by a CSA importer, whether released by the CBSA under a non-CSA option or authorized for delivery under a CSA option, will be accounted to the CBSA under CSA accounting procedures (see section 5.0).

2.1.12 Goods eligible for CSA clearance are currently defined as follows:

- (a) goods that have been shipped directly from the United States, or
- (b) goods that have been shipped directly from Mexico to an importer who is a vehicle manufacturer within the automotive industry.

In both cases, there must be no requirement, under any Act of Parliament or of the legislature of a province, that a permit, licence or other similar document be presented at time of report.

2.1.13 Goods imported by a CSA approved importer are not eligible for reporting under the CSA service option if they are:

- (a) subject to regulation by other government department(s) (OGD), unless an arrangement has been made with that OGD; or
- (b) 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 pursuant to any Act, that prohibits, controls, or regulates their importation.

2.1.14 Importers must indicate to their carriers those goods/shipments that are eligible for CSA clearance.

2.2 RNS MESSAGES

2.2.1 Once the CSA shipment has arrived, the Release Notification System (RNS) will transmit a Customs Response (CUSRES) message to RNS participants. The message will be associated with the cargo control number or transport document number of the CSA shipment, where provided, and will read as follows:

- (a) If the cargo is not selected for examination, the CUSRES message "Authorized To Deliver" will be transmitted (e.g. GIS + 23).
- (b) If the cargo is referred for examination, the CUSRES message "Goods Required For Examination – Referred" will be transmitted (e.g. GIS + 5).

Note: CADEX participants will not receive notification of release messages for CSA clearances, as the Customs Commercial System (CCS) cannot provide this information without a transaction number.

2.2.2 RNS will transmit a Customs Response (CUSRES) message to RNS participants. The RNS message will be associated to a cargo control number or transport document number, and a transaction number where a related release request exists as follows:

(a) For CSA shipments:

- (i) When an “authorized to deliver” decision is entered, the CUSRES message “Authorized To Deliver” is transmitted.

(b) For PARS shipments:

- (i) If a “to be released” recommendation is on file, and where the conveyance is authorized to move, the CUSRES message “Goods Released” will be transmitted.
- (ii) If a “refer” or “reject” decision is on file, the conveyance will automatically be referred at the port of arrival for further processing.
- (iii) In those instances where the cargo control number has no release request associated with it (“failed PARS”), and the carrier does not receive expected related release requests (such as a “Declaration Accepted” RNS message indicating a PARS was submitted to the CBSA), the carrier must ensure the Port of Destination matches that of the warehouse sub-location at least one hour prior to arrival. When the driver reports to the CBSA at the time of arrival, the cargo will be treated as an in-bond shipment, and the conveyance will be authorized to move to the valid sufferance warehouse reported on the EDI cargo.
- (iv) If a PARS is submitted by the broker and is worked by the CBSA within the one-hour timeframe prior to arrival, but after the carrier has made the change to the Port of Destination, the carrier will not be required to take further action. The PARS will then be processed at first point of arrival.

Note: The Port of Destination transmitted must match the release office on the release request (e.g. PARS/RMD).

- (v) If an examination is required, it will be performed at the port of arrival. If ACROSS is updated with a “released” decision after the examination, the CUSRES message “Goods Released” will be transmitted.

(c) For in-bond shipments:

- (i) When the in-bond shipment arrives at the Port of Destination, RNS participants who have arrival certification capability may transmit an arrival certification message to the CBSA. The applicable release/hold for exam/error CUSRES message will then be returned to the originator of the arrival message.

(d) **Note:** Existing EDI arrival rules apply (i.e. the release port must equal the port on the arrival message). See the ACROSS – EDI PRD and RNS PRD for more information.

2.2.3 EDI Arrival Note: Where an EDI arrival is transmitted in error (i.e. the sender recognizes that they have transmitted an arrival that they should not have), the sender of the EDI arrival must immediately notify the CBSA at the Port of Destination that the cargo was arrived in error.

3.0 TRADE CHAIN PARTNER (TCP) UPDATES

3.1 MAINTAINING PROFILE: VENDORS AND CONSIGNEES

3.1.1 CSA importers are required to maintain a profile with the CBSA of U.S. and Mexico vendors and direct-delivery consignees in Canada.

3.1.2 CSA importers must provide the initial Trade Chain Partner (TCP) listing during the application process. See Appendix E for instructions.

3.1.3 Once approved for CSA, participants will be required to maintain (update) TCP listings as described in this section. The requirement to maintain TCP profiles with the CBSA electronically, via EDI, begins on the CSA Start Date.

3.1.4 As outlined in D Memorandum D17-1-7, CSA importers are required to maintain with the CBSA:

- (a) a current list of U.S. and Mexico vendors (i.e. all the vendor names and addresses); and
- (b) a current list of domestic consignees, including direct delivery shipments (i.e. all the consignee names and addresses).

3.1.5 CSA importers are responsible for providing the CBSA with updates to their lists of the U.S. vendors and direct-delivery domestic consignees.

3.1.6 CSA importers may provide the entire list of their vendors, regardless of location – there is no requirement to segregate U.S. vendors from those from other countries.

3.1.7 To help CSA importers transmit additions and deletions to their current lists of vendors and consignees, the CBSA has provided an EDI Transaction Set Message Map (see Appendix B for the “Trade Chain Partner Consignee and Vendor Updates”).

3.2 TCP GENERAL BUSINESS RULES

3.2.1 The following rules apply to all types of trade chain partners (i.e. vendors, consignees):

- (a) CSA participants who have more than 25 trade chain partners are required to make changes to the lists electronically.
- (b) An addition to the list of trade chain partners is required when the participant has made arrangements to purchase from or deliver shipments to a new trade chain partner.
- (c) The new trade chain partner record must be transmitted electronically before a shipment arrives in Canada.

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Note: Failure to maintain the TCP list could result in penalties and sanctions against the CSA participant. You can find more details on CSA contraventions in D Memoranda D17-1-7.

- (d) A deletion to a list of trade chain partners is required when the CSA participant determines that he or she will no longer use a certain vendor or consignee.
- (e) CSA participants must successfully test electronic updates to their lists of trade chain partners with the CBSA before they receive CSA approval.
- (f) Each addition or deletion from a CSA participant's trade chain partner file will result in an acknowledgment or a rejection message from the CBSA.
- (g) Transmitted data that contain errors will be rejected and sent back to the CSA participant. The CSA participant is responsible for making sure that all transmitted updates are accepted before involving the trade chain partner in any shipment.
- (h) Messages must include all mandatory data elements as identified in Appendix B.
- (i) An **add** is used for the submission of a trade chain partner. Multiple records of the same type may be added at the same time.
- (j) A **delete** is used for the complete removal of a single trade chain partner. A *delete* of a record must not be sent in the same transmission as an *add* for the same vendor or consignee.
- (k) To **change*** information on file for a single trade chain partner, such as a name or address, it is necessary to first transmit a *delete* for the existing record, followed by an *add* of a new record in a separate transmission.

***Note:** A separate **change** function **does not exist**.
- (l) Participants should use a unique numbering system to transmit the trade chain partners as an EDI standard so that they can ensure that all updates have been successfully processed. (This number is transmitted in the BGM segment as the Document Message Number.) If errors occur, this unique numbering system will facilitate corrections. The ECU requires this number to assist clients in the trouble-shooting of errors.
- (m) Trade chain partners are maintained at the **division** level for CSA importers. In those instances where a CSA participant has been approved to use more than one importer Business Number (BN), updates must be applied individually for each division using that trade chain partner.

3.3 TCP GENERAL BUSINESS FLOWS

3.3.1 ELECTRONIC ADDITIONS

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3.3.1.1 The client transmits an original message with a new trade chain partner to the CBSA. The importer must include a Reference Function Code qualifier and Reference Identifier (both in the RFF segment) in the transmission to the CBSA.

3.3.1.2 The CBSA will validate the EDI profile to ensure that the CSA participant has been approved for maintaining a list of trade chain partners. If the client has not been approved, the CBSA will return a rejection message to the client.

3.3.1.3 If the CSA participant has been approved for sending trade chain partner updates, the system will search to find out if the new record already exists on file. If the record already exists, the EDI update will be rejected with the message "DUPLICATE (*Consignee or Vendor*)."

3.3.1.4 The data transmitted will be validated (see Appendix B – for "Trade Chain Partner (TCP) Updates" message maps).

3.3.1.5 Each addition accepted by the CBSA will receive an acknowledgment message. For more information, see the following message map in Appendix B for consignee and vendor updates:

"Functional Acknowledgment & Application Advice for Consignee/Vendor Trade Chain Partner (TCP) and Revenue Summary Form (RSF)".

3.3.2 ELECTRONIC DELETIONS

3.3.2.1 The client transmits a delete message for an existing trade chain partner.

3.3.2.2 If the trade chain partner is found for the CSA division, the record is expired and an acknowledgment is returned.

3.3.2.3 If the trade chain partner to be deleted cannot be matched to a record on file with the CBSA, a rejection message will be sent to the client.

Note: The matching of a trade chain partner to a record on file with CBSA occurs on the level of Reference Function Code qualifier and Reference Identifier (both in the RFF segment), and at the name level.

3.3.3 TRANSMISSION ACKNOWLEDGMENTS

3.3.3.1 The CSA importer must send a unique Document Message number (BGM segment) to allow the CBSA to acknowledge messages. For each TCP update transmission received from the CSA importer, the CBSA will respond with an acknowledgment or error message. TCP error messages can be found in the Appendix B: Code Table # 1 -- EDI Response/Error Codes.

3.3.4 TRANSMISSION MESSAGE MAP

3.3.4.1 See Appendix B for the -"Consignee/Vendor Trade Chain Partner (TCP) Updates UN/EDIFACT" message map.

3.4 TCP - VENDOR UPDATES

3.4.1 VENDOR BUSINESS RULES

3.4.1.1 Transmissions must be sent in UN/EDIFACT Version 99B format.

3.4.1.2 An addition to a CSA importer's list of U.S. and Mexico vendors is required when a CSA importer has contracted to purchase goods from a U.S. or Mexico vendor who exports to Canada but who is not yet listed with the CBSA.

3.4.1.3 The CSA importer will transmit a U.S. and Mexico vendor update as soon as it is apparent that this unlisted U.S. or Mexico vendor will be exporting goods from the U.S. or Mexico to Canada. The CSA importer must transmit the addition of a U.S. or Mexico vendor electronically before any shipment, ordered from the unlisted U.S. or Mexico vendor, is reported to the CBSA at the Canada-U.S. border. It would not be in the best interest of a CSA importer to use a U.S. or Mexico vendor who is not currently on their profile with the CBSA to clear a CSA shipment, since the benefit of the streamlined CSA clearance process would be lost for this shipment.

Note: Failure to maintain the TCP list could result in penalties and sanctions against the CSA participant.

3.4.2 VENDOR ADDITIONS

3.4.2.1 Adding a new vendor:

- (a) The CSA importer transmits an original message with a new vendor.
- (b) The importer Business Number must be included in the add message, must be the valid format and must be an approved CSA participant.
- (c) When a reference code qualifier ADZ (BN) is used to identify the vendor, the vendor's Canadian importer Business Number must be valid and sent in the correct format (i.e. 999999999RM9999).
- (d) A complete vendor address is required.
- (e) The submitted vendor's Reference Identifier must be unique, i.e. must not be duplicated.
- (f) If the submitted vendor's Reference Identifier is not already listed on the originating importer's TCP file, the CBSA will acknowledge acceptance of the message by returning an acknowledgment message to the originator.

3.4.3 VENDOR DELETIONS

3.4.3.1 A deletion to a CSA importer's list of U.S. or Mexico vendors on file with the CBSA is required when the CSA importer decides that he or she will no longer use the services of a certain U.S. or Mexico vendor who exports to Canada. A deletion of a U.S. or Mexico vendor can be transmitted electronically at any time; however, it is best to transmit the delete request as soon as possible.

3.4.3.2 Deleting an existing vendor:

- (a) The CSA importer transmits an original message with an existing vendor to be deleted.
- (b) The importer Business Number must be included in the add message, must be the valid format and must be an approved CSA participant.
- (c) When a reference code qualifier ADZ (BN) is used to identify the vendor, the vendor's Canadian importer Business Number must be valid and sent in the correct format (i.e. 999999999RM9999).
- (d) A complete vendor address is required.
- (e) The submitted vendor's Reference Identifier must be on file.
- (f) If the submitted vendor's Reference Identifier is already listed on the importer's TCP file, the CBSA will acknowledge acceptance of the message by returning an acknowledgment message to the originator.

3.5 TCP – CONSIGNEE UPDATES

3.5.1 CONSIGNEE BUSINESS RULES

3.5.1.1 Transmissions must be sent in UN/EDIFACT Version 99B format.

3.5.1.2 An addition to a CSA importer's list of Canadian consignees is required when a CSA importer has contracted to have a shipment delivered directly to a Canadian consignee who is not currently on their trade chain partner list filed with the CBSA.

3.5.1.3 The CSA importer will transmit a Canadian consignee update as soon as it is apparent that a direct delivery arrangement has been made for the unlisted Canadian consignee. The CSA importer is to transmit the addition of a Canadian consignee electronically before any shipment is reported to the CBSA at the Canada-U.S. border. It would not be in the best interest of the CSA importer to use a Canadian consignee who is not currently on their profile with the CBSA to clear a CSA shipment, since the benefit of the streamlined CSA clearance process may be lost for this shipment.

Note: Failure to maintain the TCP list is a CSA contravention. This could result in penalties and sanctions against the CSA participant.

3.5.2 CONSIGNEE ADDITIONS

3.5.2.1 Adding a new consignee:

- (a) The CSA importer transmits an original message with a new consignee.

- (b) The importer Business Number must be included in the add message, must be the valid format and must be an approved CSA participant.
- (c) When a reference code qualifier ADZ (BN) is used to identify the consignee, the consignee's Canadian importer Business Number must be valid and sent in the correct format (i.e. 999999999RM9999).
- (d) A complete consignee address is required.
- (e) The submitted consignee's Reference Identifier must be unique, i.e. must not be duplicated.
- (f) If the submitted consignee's Reference Identifier is not already listed on the originating importer's TCP file, the CBSA will acknowledge acceptance of the message by returning an acknowledgment message to the originator.

3.5.3 CONSIGNEE DELETIONS

3.5.3.1 A deletion to a CSA importer's list of Canadian consignees is required when the CSA importer decides that he or she will no longer use a certain Canadian consignee currently on file with the CBSA for direct delivery. A CSA importer can transmit a deletion of a Canadian consignee electronically at any time; however, it is best to transmit the delete request as soon as possible. Timely notice provides the CBSA with a more accurate picture of current TCP activities. It also helps reduce border clearance times, since the system has fewer consignees to search through if a CBSA inspector proceeds with consignee verification.

3.5.3.2 Deleting an existing consignee:

- (a) The CSA importer transmits an original message with an existing consignee to be deleted.
- (b) The importer Business Number must be included in the add message, must be the valid format and must be an approved CSA participant.
- (c) When a reference code qualifier ADZ (BN) is used to identify the consignee, the consignee's Canadian importer Business Number must be valid and sent in the correct format (i.e. 999999999RM9999).
- (d) A complete consignee address is required and must be Canadian.
- (e) The submitted consignee's Reference Identifier must be on file.
- (f) If the submitted consignee's Reference Identifier is already listed on the importer's TCP file, the CBSA will acknowledge acceptance of the message by returning an acknowledgment message to the originator.

4.0 B3 – IMPORT ENTRY

4.1 OVERVIEW

4.1.1 Generally, the existing processes, messages and standards for transmitting B3 import entries remain unchanged for CSA importers. However, eliminating importer involvement in the release does affect the following:

- (a) The trigger for the B3 must be modified from the CBSA release of goods to a new trigger generated by commercial books and records. An audit trail must be maintained, identifying the linkage between commercial books and records and the B3, as well as from the B3 to the applicable Revenue Summary Form (RSF).
- (b) The need to maintain the cargo control number, the release transaction number, and the CBSA office of release is eliminated.
- (c) Under CSA, time frames for providing B3 data are based on the date that goods are released/received. Time frames have been extended, from five days to a monthly period, which can vary based on the accounting option selected by the CSA importer.
- (d) CSA importers continue to use all existing B3 entry types to report trade data to the CBSA. There is no unique B3 entry type for CSA importers (other than the X-type, used for adjustments – see Section 7.0 Adjustments).

4.1.2 B3 completion instructions can be found in Memorandum D17-1-10 and in the CADEX PRD. These instructions apply with the following modifications:

- (a) **Office Number (field 4)** – For non-CSA importers, the CBSA release office is provided in this field for each shipment imported into Canada. Under CSA, the CSA importer designates a control port number during the registration process. The number must be a valid CBSA port number.
- (b) **Release Date (field 20)** – Under CSA, the meaning of release includes the receiving of goods at the place of business of the importer, owner, or consignee. Therefore, the CSA importer may use the receipt date of the goods in this field. In cases where the receipt of goods is frequently delayed, importers may be required to implement a calculation routine to estimate the release/receipt date. For example, an importer who normally receives goods into his or her inventory system four days after they are shipped will be informed during the CSA registration process to calculate the B3 Release Date field by adding four days to the shipping date (e.g. if the shipping date is October 5, the importer transmits October 9 in the Release Date field on the B3). However, **the Release Date cannot be later than the transmission date of the B3.**
- (c) **Cargo Control Number (field 45)** – CSA importers are not required to transmit the actual cargo control number in Field 45. However, in order to meet existing database edits, the CSA importer may transmit **“2CSA1”** in this field instead of the actual cargo control number.

4.1.3 The following rules apply for:

- ◆ **Mode of Transport (field 7)**
- ◆ **Port of Unlading (field 8)**
- ◆ **U.S. Port of Exit (field 15)**
- ◆ **Freight Charges (field 19)**
- ◆ **Weight (field 23)**
- ◆ **Carrier Code at Importation (field 46)**

It is important to maintain the integrity of this data for statistical purposes. CSA importers can continue to transmit actual data in these fields. However, they may derive this information in a similar fashion as freight charges (field 19):

- (a) The CSA importer should consider historical trends when determining this information.
- (b) Significant business changes should also trigger a review of this information.
- (c) CSA importers should make a reasonable allocation of this information over their population. For example, if half of a CSA importer's imports crossed by air, and the other half by highway, the CSA importer could allocate the mode of transport based on this percentage.
- (d) Your CBSA compliance manager is available to assist in the data allocation.

4.1.4 When transmitting a multiple line B3, the CSA importer does not have to provide a cross-reference between the invoice and B3 line with the electronic CADEX or CUSDEC (UN/EDIFACT) accounting transmission. To comply with the CADEX message map, input page one, line one and invoice amount.

4.1.5 The trade data used in accounting for goods is subject to audit and verification. Importers and their agents are encouraged to contact the Client Services Division in their regional CBSA office for advice, rulings or seminars on trade programs such as tariff classification, origin and/or value for duty. The addresses are listed at the end of the D-Memorandum D17-1-7.

4.2 CONSOLIDATION OF B3 ENTRY TRADE DATA

4.2.1 Consolidation of B3 data is permitted in most instances. However, CSA importers may choose to continue to transmit on a shipment-by-shipment basis to minimize system impacts and costs (e.g. maintaining additional audit trails, data base sizing) and to minimize liability for late accounting penalties.

4.2.2 Shipments can be consolidated where the B3 detail line information provided for each commodity meets the following criteria:

- (a) All shipments of identical goods released/received during the accounting period can be consolidated.
- (b) Current field edits will apply, as follows:
 - (i) Header information must be the same (Importer Business Number, Entry Type) or a new transaction is required.
 - (ii) Sub header information must be the same (Vendor Name, Country of Origin, Place of Export, Tariff Treatment, U.S. Port of Exit) or a new sub header is required.
 - (iii) Line information must be the same (Description, Special Authority Code, Classification, Tariff Code, Value for Duty Code, Special Import Measures Act (SIMA) Code, Value For

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- Duty, Customs Duty, SIMA Assessment, Excise Tax, Value for Tax, GST) or a new line is required.
- (c) Direct Shipment Date (field 16) – The CSA importer can consolidate B3 sub headers by converting invoice values to Canadian dollars, using the exchange rate applicable on each date of direct shipment. Currency code 'CAD' is completed in field 17, and the earliest date of direct shipment for the complete consolidation period is then transmitted in field 16. The invoice calculations are to be available to the CBSA upon request (e.g. at the time of verification).
 - (d) The Release Date field can be consolidated within the following guidelines:
 - (i) Shipments from a single accounting period can be consolidated.
 - (ii) In the case of commodities subject to seasonal rates of duty, separate release dates must be used unless the higher rate of applicable duty is used for the entire consolidated B3 (this applies to some agricultural products).
 - (iii) Where shipments are consolidated, the earliest date of release/receipt must be completed.
 - (e) For shipments subject to tariff rate quota, it is in the importer's best interest to transmit these entries on a shipment-by-shipment basis and as soon as possible to ensure the 'within access commitment rate' can be used.
 - (f) Consolidation of shipments where SIMA applies is not permitted.

5.0 ACCOUNTING AND PAYMENT

5.1 GENERAL

5.1.1 Instead of having to relate each shipment to the CBSA release date, accounting for shipments will be triggered by the importer's own business systems. The date the goods are released/received will be used to establish accounting time frames. The time frame for accounting begins when the goods are released/received at the importer, owner, or consignee's place of business. This can apply to all goods received, regardless of the method used to release the goods.

5.1.2 **Note:** "accounting" is different from "payment". Accounting is the provision of B3 trade data. The accounting options (Option 1 or Option 2) under CSA define the accounting timeframes. While the "accounting timeframe" can vary between CSA importers, the "payment period" is identical for all CSA importers (see 5.3 below).

5.2 ACCOUNTING TIMEFRAMES

5.2.1 The time frame for accounting begins when the goods are released/received at the importer, owner, or consignee's place of business. A CSA importer's internal systems must track the date of release/receipt and the correlated accounting time limits for all imported goods. Importers must account for imported goods within the time limits of the CSA accounting option selected, otherwise late accounting penalties will apply. (The importer will be notified of late accounting via AMPS.)

5.2.2 During registration for CSA, importers will select one of the following two accounting options:

- (a) Option 1: Goods released/received during a calendar month must be accounted for by the 18th of the following month; or
- (b) Option 2: Goods released/received between the 19th of one month and the 18th of the second month must be accounted for by the last business day of the second month.

5.2.3 Once an accounting option has been selected, it cannot be changed.

5.2.4 The accounting option time frames dictate the time limits from the time the goods are released/received to the time in which a B3 entry must be accepted by the CBSA. Note, however, that these time frames do NOT dictate when payment for the released/received goods is due.

5.2.5 Importers should implement a process to ensure goods are accounted for on a timely basis (e.g. a sweep of partially matched records).

5.3 PAYMENT PERIOD

5.3.1 The time frame for which goods must be paid is the same for all CSA importers, regardless of the accounting option selected: goods released/received between the 19th of one month and the 18th of the second month must be duty paid by the last business day of the second month.

6.0 REVENUE SUMMARY FORM (RSF)

6.1 GENERAL

6.1.1 CSA importers are required to self-assess and summarize all duties, taxes and interest owing to the CBSA for imported goods on a Revenue Summary Form (RSF), which is due by the last business day of each month. The form must be transmitted using UN/EDIFACT/CUSDEC.

6.1.2 Payment is submitted separately at a financial institution, also by the last business day of the month.

6.1.3 Administrative Monetary Penalty System (AMPS) penalties will be applied if the CBSA has not received the error-free RSF by the last business day of the month, regardless of whether the importer had importing activity or not. Payment of all AMPS penalties is reported on the importer's monthly RSF.

6.1.4 The applicable data elements associated with the RSF are found in Appendix B: "CSA Revenue Summary Form Data Elements Glossary." The glossary defines the data elements and outlines associated rules and conditions.

6.2 RSF BUSINESS RULES

6.2.1 GENERAL BUSINESS RULES

The following apply to all CSA importers:

- (a) The CSA importer must summarize all duties and taxes by valid line object code on the RSF. These codes may be found in Appendix B: Code Table # 2 – Line Object Codes for RSF. The CSA importer must complete all applicable fields. See the code table for all possible codes. **Note that Line Object Codes are subject to periodic change.**
- (b) The CSA importer must send transmissions in EDIFACT format – see Appendix B – EDI Message Maps and Code Tables.
- (c) The CBSA must receive the error-free RSF (i.e. placed in accepted status) by the last business day of the month.
- (d) The importer must use an **add** for the first (original) submission of any data.
- (e) Once sent, an RSF cannot be deleted. It can only be changed. Only one RSF can be active in a month.
- (f) If changes are required, the RSF must be replaced with a new version. A **change** involves the transmission of the entire record (all data elements), which will then replace the entire original record.
- (g) Importers may make EDI changes to the RSF at any time (e.g. to correct improper coding at a later date).

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- (h) Participants should use a unique numbering system to transmit the RSF. (This number is transmitted in the BGM segment as the Document Message Number.) If errors occur, this unique numbering system will facilitate corrections. The ECU requires this number to assist clients in the trouble-shooting of errors.
- (i) Period start and end dates should reflect activity captured on that month's RSF, however, the dates cannot overlap from one month to the next (i.e. the start date cannot be earlier than the previous month's end date). Therefore, the CSA importer may choose to default to the start and end dates of the **payment** period in these fields. The period start date of the first RSF with data (i.e. not NIL) must be the same or later as the CSA participation start date. See also NIL RSF reporting under "Additional Details" below.
- (j) Importers should ensure all transactions have been accepted by the CBSA before including corresponding revenue amounts on the RSF.
- (k) VFD Current Month Transactions includes both original and adjusted B3 trade data for that period. It is to be rounded to the nearest dollar without cents or decimals.
- (l) Amounts owing to the CBSA that are not self-assessed (e.g. K23's, B2-1s, AMPS penalties) must also be paid using the RSF. These invoices are referenced in the "Customs Assessments" section of the RSF. See "Flows" below for exceptions to B2-1, Detailed Adjustment Statement (DAS), processing. The different types permitted are as follows:
 - (i) B2-1 must be a 14-digit transaction number;
 - (ii) K23 or PA/CP must be numeric and up to 10 digits.
 - (iii) For all other types (K100B, K9, K25 or K29), the format is alpha/numeric and up to 17 characters.
- (m) CBSA assessments that must be paid without delay are paid at the local CBSA office. Therefore, these are not paid on the RSF. Examples include:
 - (i) Payment of a collection notice
 - (ii) Service charges and inspection fees
 - (iii) Cash deposit required with an E29B (Temporary Admission Permit)
 - (iv) Monetary amount payable for release of seized goods

6.2.2 INTERIM PAYMENT

6.2.1.1 If the importer selects Option 1 for accounting, and chooses to report B3 trade data on the RSF based on the previous calendar month instead of based on the payment period, an interim payment is required **if** all goods released/received up to the 18th of a given month are not fully accounted for and paid by the end of that same month (otherwise interest must be paid for all late transactions).

6.2.1.2 If the importer makes an interim payment, the importer must record it in the "Interim Payment" section of the RSF. It then must be fully credited the following month under the "Credits" section, using the same

distribution between the two financial codes, and the actual amounts must be reported in the “Debits” section.

6.2.1.3 In cases where the interim payment has been overestimated, credit interest is calculated only on the duty portion of the overpayment. In cases where the interim payment has been underestimated, debit interest is calculated on both the duty and GST amounts underpaid.

6.2.3 INTEREST

6.2.3.1 In addition to the interest on the reconciled interim payment, importers must self-assess late transaction payment interest, interest on adjustments, and interest for late payment of the RSF.

6.2.3.2 In general, interest is payable beginning the first day after the payment was due, and ends on the day the amount was paid in full.

6.2.3.3 Where the interest charge owing for a single late transaction payment is less than \$5.00, the amount does not have to be reported by the CSA importer.

6.2.3.4 Interest is compounded on a daily basis. In most instances, interest on adjustments and overpaid interim payment is calculated at the prescribed rate. Interest on underpaid interim payment, late transaction payment and late payment of the RSF is calculated at the specified rate. These interest rates are updated quarterly, and may be found at <http://cbsa-asfc.gc.ca/media/irt-tti-eng.html>. The specified rate is the prescribed rate plus 6%. See D11-6-5 for further information on interest application.

6.2.3.5 The CBSA interest calculation program may be found at the following link:
<http://cbsa-asfc.gc.ca/tools-outils/cicp-pcid/menu-eng.html>.

6.3 RSF ADD

6.3.1 GENERAL RULES

The following are the general business rules to add an RSF:

- (a) The importer transmits an original RSF message for a given RSF month to the CBSA.
- (b) The CBSA will first search to find out if an RSF already exists on file for that RSF month. If the record already exists, the update will be rejected with a “duplicate” error message.
- (c) The data transmitted will be validated according to the rules detailed in Appendix B.
- (d) The RSF will be rejected if the total payment amount transmitted does not match the value calculated by the system.
- (e) If the RSF does not have any errors, an acceptance message will be returned to the originator.

- (f) Transmitted data that contain errors will be rejected and sent back to the originator with the applicable rejection message. See Appendix B: Code Table #3 – RSF Response/Error message codes.

6.3.2 ADDITIONAL DETAILS

- (a) An RSF must be transmitted each month. NIL and credit reporting are required.
- (b) If the first RSF on CSA is NIL and is being transmitted by the CSA importer, the Period Start and End Dates of that first NIL RSF must both be earlier than the CSA participation start date.
- (c) A NIL report for the section called “Debits” is accomplished by reporting “0” for VFD Current Month Transactions, Duty-49010 (original transactions) and GST-49121 (original transactions). The other RSF sections remain optional if the “Debits” section is NIL.
- (d) If a previously claimed Credit must be reversed, the Credit code must be transmitted in the “Debits” section to reverse the credit amount. Likewise, if a Debit error must be reversed, the Debit code with the offsetting amount must be transmitted in the “Credits” section to reverse the debit amount. This applies to all revenue codes except Duty (49010) and GST (49121):
- (i) If Duty must be reversed due to a calculation error, the correction must be included on the Credits side under revenue code 49017-Refund of Import Duty. (The reason is that Credit 49010 is reserved for the Interim Payment from the previous month.)
 - (ii) GST may not be credited on the RSF for previous months. However, if a correction is required to GST for the current RSF month only, the CSA importer will transmit the amount in the credit section under line object code 49129 (GST - credit for current month corrections only). If this code is used on the credit side of the RSF, the corresponding original GST amount in error must be included along with the correct GST on the debit side of the RSF.
- (e) To pay a Detailed Adjustment Statement (B2-1), note the following:
1. Any B2-1 in process at the time of CSA conversion must continue to be paid at a CBSA office or be refunded by cheque, even after the CSA start date. They cannot be paid or offset on the RSF. The Comments section of the B2-1 will indicate whether or not it should be paid or offset on the RSF: if the reference to recording the B2-1 on the RSF does **not** appear in the Comments section, the B2-1 **cannot** be paid or offset on the RSF.
 2. After CSA conversion, any new B2-1 amount must be recorded under the “Debits” or “Credits” section of the RSF, under the appropriate line object codes. Similar to #1 above, if the Comments section of the B2-1 states that the amount must be reflected on the RSF, then the amount shown **must** be paid or offset on the RSF unless the B2-1 is non-revenue or subject to the Customs Entry Error Remission order.
 3. In the Customs Assessments (DMS 70) section of the RSF, transmit “B2-1” as the Customs Assessment Type. Transmit the B2-1 transaction number as the Reference Number in the Document Message Number field.
 4. The Amount field (MOA segment) of the “Customs Assessments” section for the B2-1 is not transmitted, as the amounts must be recorded under the “Debits” or “Credits” section of the RSF, under the appropriate line object codes.

5. The Port Code field (LOC segment) of the "Customs Assessments" section for the B2-1 is also not transmitted.

6.3.3 EXAMPLE OF AN RSF ADD

1. Company A is on Accounting Option 1 and preparing an RSF for the month of June 2004. The company has a monthly cut-off date (for goods to be included on the RSF) of June 21. (The cut-off date for May's RSF was May 21.) To make sure they include all possible receipts up to the 18th of June, they run a sweep of their system on June 19 and ensure all final B3s have been accepted by June 20. For the month of June, the period start date on the RSF will be May 22, and the period end date will be June 21.
2. Company A's service provider (Account Security number 12345) is filing this RSF on Company A's behalf. The value for duty was \$2,500,350.15.
3. Company A made an interim payment on the May RSF of \$1,500 duty and \$10,000 GST. This interim payment is being offset in the "Credits" section. The actual amounts included in the "Debits" section match the interim payment, and no interest is applicable. They have estimated their interim payment for June as \$1,200 duty and \$10,500 GST.
4. Company A identified transactions that should have been paid on the previous month's RSF payment. They have calculated interest at the specified rate for these late transactions, and have recorded \$819.32 in late transaction payment interest.
5. Company A summarized all activity (various original transactions, X-type B3 adjustments, and additional payments) transmitted to and accepted by the CBSA between the period start and period end dates. Based on the calculated values, they will prepare their RSF as follows:

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Identification

Business Number	123456789RM0001
RSF month	2004 06
Period Start Date	2004 05 22
Period End Date	2004 06 21
VFD current month transactions	\$2,500,350
Filing ID	12345

Current month revenue distribution

Debits		
Code	Amount	
49010 - Duty on original transactions	100000	00
49010 - Duty on adjustments	2000	00
49121 - GST on original transactions	1200000	00
49121 - GST on adjustments	30000	00
49443 - Late Transaction Payment Interest (includes reconciled interim payment interest)	819	32
49460 - Excise Tax on Gasoline	1000	00

Credits		
Code	Amount	
49010 - Previous month interim duty	1500	00
49121 - Previous month interim GST	10000	00
49017 - Refund of Import Duty	2500	00
49555 - Interest on Adjustments	25	68

Other assessments

Interim payment		
Code	Amount	
49010 - Current interim duty	1200	00
49121 - Current interim GST	10500	00

Customs assessments			
AMPS penalties or miscellaneous invoices			
Type	Reference number	Port code	Amount
K23	123456	0454	50 00
B2-1	99999123456789		
PA	1234567890	0654	100 00

Assessment totals

Total payment	1331643	64
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6.3.4 EDI ADD - INPUT RECORD LAYOUT

The body of the EDI message for the RSF above will be prepared as follows (the EDI header and trailer data is not included here as it will vary by company):

UNA:+.?

UNB+.....

UNG+.....

UNH+.....

BGM+335+*Unique Document Message Number*+9

DTM+137:20040630:102

DTM+415:200406:610

DTM+90:20040522:102

DTM+91:20040621:102

RFF+ARA:123456789RM0001

RFF+ABP:12345

MOA+43:2500350

UNS+D

DMS++84

LIN+49010+11

MOA+203:10000000

LIN+49010+9

MOA+203:200000

LIN+49121+11

MOA+203:120000000

LIN+49121+9

MOA+203:3000000

LIN+49443

MOA+203:81932

LIN+49460

MOA+203:100000

DMS++83

LIN+49010

MOA+203:150000

LIN+49121

MOA+203:1000000

LIN+49017

MOA+203:250000

LIN+49555

MOA+203:2568

DMS++66

LIN+49010

MOA+203:120000

LIN+49121

MOA+203:1050000

DMS++70

LIN+K23

MOA+203:5000

CSA Importer PRD

LOC+127+0454
DOC+998+123456
LIN+B2-1
DOC+998+99999123456789
LIN+PA
MOA+203:10000
LOC+127+0654
DOC+998+1234567890
UNS+S
TAX+4
MOA+176: 133164364
UNT+52+.....
UNE+1+.....
UNZ+1+.....

6.4 RSF CHANGE

6.4.1 If changes are required, the RSF must be replaced with a new version. A change involves the transmission of the entire record (all data elements), which will then replace the entire original record.

6.4.2 The CSA importer transmits a change message for a given RSF month already on file with the CBSA. The amounts transmitted must reflect what the actual amounts should be and not just the amount(s) that were in error.

6.4.3 The CBSA will first search to find out if an RSF already exists on file for that RSF month. If the record does not already exist, the update will be rejected.

6.4.4 The data transmitted will be edited according to the rules detailed in the message maps contained in Appendix B.

6.4.5 The Business Number, RM account and RSF Month cannot be changed once transmitted. A new RSF using Add must be transmitted with the correct information. If the incorrect record needs to be deleted, the CSA importer must transmit a NIL report for Debits as a change to the original.

6.4.6 If the changed RSF does not have any errors, the CBSA will return an acceptance message.

6.4.7 Each change to an RSF will result in an acknowledgment or a rejection message from the CBSA.

6.5 RSF PAYMENT

6.5.1 Payment of the RSF is submitted separately at a financial institution, by the last business day of the month.

6.5.2 If the payment and RSF do not match exactly, the compliance manager will contact the CSA importer to resolve the discrepancy.

- (a) If the failure to match is caused by the RSF being in error, the CSA importer must transmit an RSF change to replace the previous version.
- (b) If the RSF is correct but the payment amount is too high, the CSA importer may offset the overpayment on the following month's RSF payment. In this case, the CSA importer must notify their CSA compliance manager so that they can transfer the overpaid amount to the following month.
- (c) If the RSF is correct but the payment for a month is too low, the CSA importer must remit a payment for the difference. The CSA importer must also include the late payment interest on the following month's RSF, using code "Late Payment of RSF Interest" (49442).

6.5.3 Payment at a financial institution is made using the RC133 CSA Remittance Voucher, which is obtained from your CSA compliance manager. Alternatively, CSA importers wishing to use electronic remittance must contact their compliance manager to obtain the electronic mapping requirements.

7.0 ADJUSTMENTS (X-Type B3)

7.1 X-TYPE ADJUSTMENT BUSINESS RULES

7.1.1 CSA clients will be required to submit adjustments electronically on the X-type entry, utilizing the authority of sections 32.2 and 74(1) of the *Act*.

7.1.2 In the X-type transmission, negative values are used to remove original accounting information; positive values are used to replace the information. Changes may be made on a net basis, i.e. only adjusting the incorrect portion. Alternatively, changes can be made using an approach more similar to the B2 (paper) adjustment by removing the entire line that was in error, and replacing it with the correct data. Provided that the correct data is submitted, either method is equally valid. The term “negative value” and the negative sign are used only to illustrate the concept of the X-type adjustment. Where these values are actually transmitted to the CBSA, the appropriate coding specified in Appendix B is used.

7.1.3 Importers will self-assess any refunds or additional duties and taxes owing on their monthly RSF. When using the X-type, supporting documents need not be included at the time of presentation, but must be made available upon request.

7.1.4 Adjustment revenue from accepted transactions is to be reported on the next RSF. Those importers who need to transmit X type adjustments in order to maintain audit trail integrity, but where the adjustment revenue is not taken to account on the RSF, should identify these updates by entering the code “0997” in the Customs office field

7.1.5 CSA importers should note that in accordance with the Customs Entry Remission Order, remission is granted when the amount of a bona fide error on any one accounting document results in an underpayment of an amount not more than \$7.50. When an adjustment of a single accounting document results in an amount owing of \$7.50 or less, the CSA importer may take consideration of this remission and need not report the amount as a debit on the RSF. As with other revenue amounts, substantiation of the amount is to be retained by the CSA importer. Information about the Customs Entry Remission Order is provided in Memorandum D17-1-9, Order Respecting Remission of Customs Duties and Excise Taxes Underpaid Due to Customs Entry Error. The X-types should be transmitted in these cases using code 0997.

7.1.6 CSA clients must also calculate any interest amounts for adjustments that result in money owing to CBSA and include this amount on their monthly RSF using the appropriate Line Object Code.

7.1.7 Pursuant to subsection 3.3(1) of the *Act*, and section 125 of the Customs Tariff, where the client submits an adjustment, and the sum total of the accumulated interest and penalties accrued between the date payment was originally due and the date of the notice of decision, does not exceed \$5.00, the amount is waived. In this case, the CSA importer is not required to report the amount waived on the RSF.

7.1.8 The EDI adjustment process is supported through the Customs Commercial System (CCS) and the B3 X-type entry. CSA participants are required to maintain audit trails from the adjustment transaction to the source document that triggered the need for the change, and from the adjustment transaction to the RSF that included the adjusted revenue.

7.1.9 Individual adjustments to tariff treatments involving free trade agreements, such as the North American Free Trade Agreement (NAFTA: codes 10, 11, 12), and the Canada-Chile Free Trade Agreement (CCFTA: code 14), must include the original B3 transaction number and line number.

7.1.10 In the case of requests for re-determination of origin involving a NAFTA tariff treatment, a valid copy of each certificate of origin (CO) pertaining to the goods under review must be available for examination by the CBSA upon request.

7.1.11 The following will continue to be presented in hard copy, complete with backup documentation:

- (a) Adjustment requests that relate to formal disputes or appeals of departmental decisions. Appeals are generally defined as those adjustment requests filed under the authority of section 60 of the *Act*.
- (b) Adjustments to goods resulting in a refund of SIMA duties.
- (c) Adjustments related to Tariff Rate Quotas (TRQ).
- (d) Drawbacks. These are also excluded from electronic adjustments, however the revenue is reported on the monthly RSF, as declared on the Summary of Drawback Activity, Form CBSA 130 (see D17-1-7).

7.2 X-TYPE ADJUSTMENT BUSINESS FLOWS

7.2.1 Electronic adjustments may adjust either a single transaction or many transactions. As trade data and revenue have been separated under CSA, adjustments must be performed in two separate steps:

- 1) The CSA importer will submit the appropriate adjustment to trade data electronically via the B3 X-type.
- 2) The adjusted revenue amount(s) will be reflected on the corresponding monthly RSF.

7.2.2 X-type adjustments can be made within the appropriate time limits under the authority of section 32.2 and 74(1) of the *Act*. The return of an 'entry accepted' message from CBSA is to be interpreted as a decision under section 59(1)(a) of the *Act*, and provides the notice of decision required by subsection 59(2) of the *Act*.

7.2.3 Subsequent changes for the same commodity and issue may be transmitted within the appropriate time limits, and are allowed under the authority of section 59 of the *Act*. As a minimum, the importer must notify CBSA of a subsequent adjustment at the B3 transaction number level. To identify subsequent changes, the CSA importer must ensure that a '02' is transmitted in the 'time limit' field, and a 'y' (left-justified) is transmitted in the 'time limit unit' on the X type adjustments. The return of an 'entry accepted' message from CBSA is to be interpreted as a decision from the CBSA under section 59 of the *Act*.

7.2.4 Current B3 edit rules apply to X-type adjustments. In addition:

- (a) The period that the adjustment covers is transmitted in the Release Date and Date of Direct Shipment fields. **For the X-type, it is important to note the Date of Direct Shipment field is used to indicate the end date of the adjustment period (i.e. it is not the date the goods were shipped to**

Canada). If the adjustment covers only one shipment, the original release/receipt date is entered in both the Release Date and Date of Direct Shipment fields.

- (b) Any changes to header information (e.g. BN, Importer name, etc.) will result in the need for a separate X-type adjustment.

Note: Use one of the following payment type codes to indicate the type of adjustment:

- i) **A** - Tariff Classification
 - ii) **B** - Valuation
 - iii) **C** - Tariff Treatment –except NAFTA and CCFTA
 - iv) **D** - Tariff Treatment – NAFTA, CCFTA only
 - v) **E** - Other Adjustments
- (c) Any changes at the sub header level (vendor, country of origin, place of export, tariff treatment, date of direct shipment, etc.) will require a new sub header.
- (d) Any changes at the line level (classification, tariff code, unit of measure, VFD code, duty/tax rates) will require a new line.

7.2.5 Adjustments and B3s are not required to be linked on a transaction-by-transaction basis (with the exception of type D adjustments).

7.2.6 An X-type B3 may not relate to accounting documents for which the time limit for appeal, refund, or diversion as set out in the *Act* has expired.

7.2.7 CSA participants will not have to submit supporting documents with the adjustment request; however, CSA importers will be required to maintain appropriate audit trails and supporting documents on file. These may be requested periodically. For details on supporting documents, please see D memorandum D11-6-4 Legislative Authorities and Supporting Documentation Requirements for Form B2 - Adjustment Requests.

7.3 CONSOLIDATED ADJUSTMENTS

7.3.1 Consolidated adjustments are those adjustments that cover more than one shipment. When submitting a consolidated X-type B3, the importer or agent must ensure that it satisfies the following conditions:

- (a) Adjustments under Section 32.2 must not be combined with adjustments under Section 74(1) of the *Act* on the same X-type, i.e. refunds cannot be combined with amounts payable to the CBSA – see Section 7.4 Multiple-Line Adjustments.
- (b) A consolidated X-type B3 should normally cover exactly the same issue (e.g. re-determination of tariff classification, re-determination of origin or re-appraisal of value for duty), or exactly the same commodity.
- (c) Multiple commodities may be adjusted on a single X-type if the issue is the same. For example, an importer can change the tariff classification of shoes, purses, and boots all on one X-type.
- (d) Multiple issues may be adjusted on a single X-type. However, in this case, each individual commodity must be submitted under a separate X-type. For example, one X-type can be used to change the tariff classification, tariff treatment and value for duty of shoes alone all on one X-type. (Separate X-types would be required for similar adjustments to boots and purses.)

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- (e) Where a single X-type covers more than one issue for the same commodity, the payment type code to be reported should be based on the following order of precedence:
- (i) First: **D** - Tariff Treatment – NAFTA, CCFTA
 - (ii) Second: **B** – Valuation
 - (iii) Third: **A** - Tariff Classification
 - (iv) Fourth: **C** - Tariff Treatment – excluding NAFTA, CCFTA
 - (v) Fifth: **E** - Other Adjustments
- (f) Consolidated adjustments are acceptable as long as a single adjustment covers only goods from the same calendar year (i.e. from January 1 to December 31). Adjustments for goods received over two calendar years will require two separate X-type adjustments. The period that the adjustment covers is transmitted in the Release Date and Date of Direct Shipment fields as follows:
- (i) Release Date: State the first, or earliest, **release/receipt** date.
 - (ii) Date of Direct Shipment: State the last, or most recent, **release/receipt** date.
For the X-type, it is important to note the Date of Direct Shipment field is used to indicate the end date of the adjustment period (i.e. it is not the date the goods were shipped to Canada). If the consolidated adjustment covers only one release date, that release date is entered in both the Release Date and Date of Direct Shipment fields.
- (g) For consolidated adjustments involving a NAFTA tariff treatment (program type code D), the earliest original B3 transaction being adjusted must be identified on the transaction detail line, both positive and negative, by indicating its transaction number in fields 24 and 25, “Previous Transaction” and “Line”.

7.4 MULTIPLE-LINE ADJUSTMENTS

7.4.1 GENERAL BUSINESS RULES

7.4.1.1 CSA importers can combine more than one adjustment, each of which can be more than one line, on a single X-type entry (i.e. a “multiple-line”). However, adjustments under Section 32.2 must not be combined with adjustments under Section 74(1) of the Act on the same X-type, i.e. refunds must not be combined with amounts payable to the CBSA.

7.4.1.2 Only adjustments that are transmitted in the same or current RSF month due to clerical errors can be used to recover GST. GST is not refunded by CBSA outside of current month. Instead, any credit of GST is claimed directly from GST using the Input Tax Credit (ITC). CBSA systems presently have been designed to prevent the credit of GST on adjustments that are claimed outside the current month.

7.4.1.3 At the line level of an X-type entry, however, negative GST is permitted. The reason for this is to allow the CSA importer to mimic the “as entered, as claimed” functionality currently used in the non-CSA (B2) adjustment process. If they choose this method to submit their adjustment, the CSA importer negates the first line (“as entered”) – removing the incorrect data – then uses the second line, and occasionally subsequent lines, to show “as claimed” as the new amounts. It is also used to maintain audit trail integrity.

7.4.1.4 The GST trailer of the X-type entry is then transmitted as the cumulative total of all the previous lines:

- (a) If the total of all the combined lines is positive, then a positive net GST trailer line is transmitted, and this becomes the amount payable to CBSA.

(b) If the total of all the combined lines is negative, then a negative net GST trailer line is transmitted.

NOTE: each “net” amount below does not appear anywhere within the actual X-type transmission, but are shown here for illustration purposes only.

7.4.2 MULTI-LINE EXAMPLE

7.4.2.1 Consider the following example. An importer needs to make the following corrections:

\$100 GST (as entered)

\$80 GST (as claimed)

net - \$20

\$300 (as entered)

\$350 (as claimed)

net +\$50

\$200 (as entered)

\$270 (as claimed)

net +\$70

7.4.2.2 Since the importer must segregate “positive” and “negative” GST on the X-type B3, they must send two separate X-types as follows:

a) First X-type GST (negative amount) as follows:

Line 1) -\$100 GST (as entered)

Line 2) + \$80 GST (as claimed)

net -\$20

GST trailer total transmitted within current month: -\$20

GST trailer total transmitted outside of current month: \$0

(If the net total GST is negative, and it is outside the current RSF month, the system then requires the importer to transmit a “0” on the trailer line, since GST is not credited outside of current month)

b) Second X-type GST (positive amounts) as follows:

Line 1) -\$300 (as entered)

Line 2) +\$350 (as claimed)

net +\$50

Line 3) -\$200 (as entered)

Line 4) +\$270 (as claimed)

net +70

GST Trailer total transmitted both within and outside of current month: \$120

7.4.3 ALTERNATE METHOD

7.4.3.1 CSA importers may choose another method for transmitting multiple-line X-types. They may transmit only the difference between the “as entered/ as claimed” amounts: i.e. the net amounts only from the example

above. The client's multiple-line X-type entry for the same three adjustments would then appear as follows:

a) First X-type GST (negative amount) as follows:

Line 1) **-\$20** net GST

GST trailer total transmitted within current month: ~~-\$20~~

GST trailer total transmitted outside of current month: \$0

b) Second X-type GST (positive amounts) as follows:

Line 1) **+\$50** net GST

Line 2) **+\$70** net GST

GST Trailer total transmitted both within and outside of current month: \$120

7.4.3.2 Note the total GST transmitted in the trailers for these two X-types is \$120 (not \$100), since GST is not credited by the CBSA outside of the current RSF month.

7.4.3.3 Please refer to Appendix C – CADEX Format Examples for examples of the above scenarios.

7.5 X -TYPE ENTRY - EXAMPLES

7.5.1 GENERAL

7.5.1.1 X type entries are similar to other B3 types in most respects. One significant difference is the use of the B3 payment code (field 6) to indicate the adjustment reason. The following examples provide guidelines as to how these payment codes should be applied, as well as demonstrating how each change is effected.

7.5.2 PAYMENT CODE A - TARIFF CLASSIFICATION

7.5.2.1 This code is to be used in situations where goods were entered under an incorrect tariff classification number, and an adjustment is being submitted to correct the error.

Case 1

A client imports a load of 10,000 television sets and accounts for them as such.

During a subsequent piece count, it is discovered that the load actually consisted of 7,500 televisions and 2,500 stereo components.

In order to correct the error, the client would submit an X type entry with Payment Code "A"

Replace Entire Line Method

Line 1: In the negative line of the X-type, the client would indicate 10,000 televisions. This would serve to effectively remove the erroneous transaction.

Line 2: In the positive line, the client would indicate 7,500 televisions.

Line 3: In another positive line, the client would indicate 2,500 stereo components.

OR

Net Change Method

Line 1: In the negative line of the X type, the client would indicate 2,500 televisions. This would serve to remove 2,500 televisions from the transaction.

Line 2: In the positive line, the client would indicate 2,500 stereo components. These goods have now effectively replaced the 2,500 televisions in the transaction.

Note: in each case the client has chosen a slightly different way to document the same adjustment. In the Replace Entire Line Method, the client has opted to use an approach more similar to the B2 (paper) adjustment by removing the entire line that was in error (“as entered”), and replacing it with the correct data (“as claimed”). In the Net Change Method, the client has chosen to make the changes on a net basis; only adjusting the information incorrectly declared.

Provided that the correct data is submitted, either method is equally valid.

7.5.3 PAYMENT CODE B - VALUES

7.5.3.1 This code is to be used when the goods were originally accounted for with an incorrect value for duty.

7.5.3.2 The client should be reminded that the requirements of the *Act* regarding value for duty do not change as a result of the introduction of the X-type entry. The conditions under which a refund can be granted as a result of a reduction in the value for duty are very limited. Specifically, all current rules regarding permitted additions to and deductions from the value for duty still apply under CSA.

Case 2

A client imports an automated batting cage, and accounts for it using a value for duty of \$500,000.

It is later discovered that exactly one half of the initial price was in fact the charge for erecting the structure on-site in Canada.

Therefore, \$250,000 should be deducted from the transactional value as per the *Act* S 48(5)(b)(ii).

In order to correct the error, the client would submit an X-type entry as follows:

Replace Entire Line Method

Line 1: In the negative line, the client would indicate the batting machine with a value for duty of \$500,000

Line 2: In the positive line, the client would indicate the batting machine with a value for duty of \$250,000

OR

Net Change Method

Line 1: In the negative line, the client would indicate the batting machine with a value for duty of \$250,000.

In the methods above, the client has chosen alternate ways to report the same adjustment. In the Replace Entire Line Method, the client has chosen to fully remove the incorrect line (“as entered”), and replace it with the correct information (“as claimed”). In the Net Change Method, the client has chosen to document only the deduction, and not the initial information.

Again, either method is acceptable, provided that the correct information is transmitted.

7.5.4 PAYMENT CODE C - TARIFF TREATMENT (ALL EXCEPT NAFTA / CCFTA)

7.5.4.1 This code is to be used when the client wishes to adjust the tariff treatment.

7.5.4.2 In order to use payment code C, the tariff treatment must **not** be changed to or from any of the following:

- | | | | |
|-------|----|------|-----------------------------|
| (i) | 10 | UST | United States Tariff |
| (ii) | 11 | MT | Mexico Tariff |
| (iii) | 12 | MUST | Mexico-United States Tariff |
| (iv) | 14 | CCFT | Canada Chile Tariff |

If any of the above tariff treatments are involved, Payment Code D must be used.

Case 3

The client imports a shipment of 10,000 televisions and accounts for them under Tariff Treatment 03. Later it is discovered that 2500 of the televisions were of German origin, and qualify for Tariff Treatment 02 (Most - Favoured Nation)

In order to adjust the original transaction, the client would transmit an X-type B3 as follows.

Replace Entire Line Method

In Sub header 1, the client would indicate the Tariff Treatment as 03.

Line 1: In the negative line, the client would indicate the 10,000 televisions. This would effectively remove the 10,000 televisions with the incorrect tariff treatment (“as entered”).

Line 2: In the positive line, the client would indicate 7,500 televisions.

In Sub header 2, the client would indicate the Tariff Treatment as 02

Line 3: In the positive line, the client would indicate 2,500 televisions.

Lines 2 and 3 would replace the original (incorrect) transactional information with the updated information (“as claimed”).

OR

Net Change Method

In Sub header 1, the client would indicate the Tariff Treatment as 03

Line 1: In the negative line, the client would indicate 2,500 televisions. This would effectively remove the 2,500 televisions with the incorrect tariff treatment.

In Sub header 2, the client would indicate the Tariff Treatment as 02

Line 2: In the positive line, the client would indicate 2,500 televisions. This would replace the original (incorrect) transactional information with the updated information.

7.5.5 PAYMENT CODE D - TARIFF TREATMENT (NAFTA / CCFTA)

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7.5.5.1 This code is to be used when the client wishes to adjust the tariff treatment to or from any of the following:

- | | | | |
|-------|----|------|-----------------------------|
| (i) | 10 | UST | United States Tariff |
| (ii) | 11 | MT | Mexico Tariff |
| (iii) | 12 | MUST | Mexico-United States Tariff |
| (iv) | 14 | CCFT | Canada Chile Tariff |

Case 4

The client imports a shipment of 10,000 televisions and accounts for them under Tariff Treatment 02 (Most-Favoured Nation). Within one year, the client obtains a valid Certificate of Origin certifying that 2500 of the televisions are actually of US origin.

In order to adjust the original transaction, the client would transmit an X-type entry as follows.

Replace Entire Line Method

In Sub header 1, the client would indicate the Tariff Treatment as 02

Line 1: In the negative line, the client would indicate the 10,000 televisions. This would effectively remove the 10,000 televisions with the incorrect tariff treatment (“as entered”).

Line 2: In the positive line, the client would indicate the 7,500 televisions.

In addition, the client would also indicate the transaction and line number of the original, inaccurate transaction.

In Sub header 2, the client would indicate the Tariff Treatment as 10

Line 3: In the positive line, the client would indicate 2,500 televisions.

Here again, the client would indicate the transaction and line number of the original, inaccurate transaction.

Lines 2 and 3 would replace the original (incorrect) transactional information with the updated information (“as claimed”).

OR

Net Change Method

In Sub header 1, the client would indicate the Tariff Treatment as 02

Line 1: In the negative line, the client would indicate 2,500 televisions.

In addition, the client would also indicate the transaction and line number of the original, inaccurate transaction.

In Sub header 2, the client would indicate the Tariff Treatment as 10

Line 2: In the positive line, the client would indicate 2,500 televisions.

Here again, the client would indicate the transaction and line number of the original, inaccurate transaction.

7.5.6 PAYMENT CODE E - REFUNDS / OTHER

7.5.6.1 This code is to be used when the client wishes to make an adjustment as a result of criteria that do not fall under the previous categories.

Case 5 - Goods that have suffered damage, deterioration or destruction:

A client imports and accounts for a shipment of 10,000 crystal wine glass sets.

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Upon inspection of the shipment, it is discovered that 1000 of the sets were broken during transport.

The client would submit an X-type entry as follows:

Replace Entire Line Method:

Line 1: In the negative line, the client would indicate 10,000 wine glass sets (“as entered”)

Line 2: In the positive line, the client would indicate 9,000 wine glass sets (“as claimed”)

OR

Net Change Method:

Line 1: A single negative line indicating 1,000 wine glass sets

Either method would be acceptable, as the net result would be the same.

Case 6 - Goods deficient in quantity:

A client imports and accounts for a shipment of 10,000 crystal wine glass sets.

Upon inspection of the shipment, it is discovered that there were only 9,000 sets - 1,000 of the sets were missing.

The client would submit an X-type entry as follows:

Replace Entire Line Method:

Line 1: In the negative line, the client would indicate 10,000 wine glass sets (“as entered”).

Line 2: In the positive line, the client would indicate 9,000 wine glass sets (“as claimed”).

OR

Net Change Method:

Line 1: A single negative line indicating 1,000 wine glass sets

Either method would be acceptable, as the net result would be the same.

Case 7 - Overage

A client imports and accounts for 10,000 crystal wine glass sets. Upon inspection of the shipment, it is discovered that there were in fact 10,050 sets.

The client would submit an X-type entry as follows:

Replace Entire Line Method:

Line 1: In the negative line, the client would indicate 10,000 wine glass sets (“as entered”).

Line 2: In the positive line, the client would indicate 10,050 wine glass sets (“as claimed”).

OR

Net Change Method:

Line 1: A single positive line indicating the 50 wine glass sets.

Either method would be acceptable, as the net result would be the same.

Case 8 - Goods of inferior quality:

A client imports and accounts for a shipment of 10,000 crystal wine glass sets valued at \$500,000 (\$50/ea).

Upon inspection of the shipment, it is discovered that the crystal was not of superior clarity as was thought, but in fact was relatively clouded, and of inferior quality.

Based on professional appraisal, it is determined that the actual value of the crystal is \$100,000 (\$10/ea). The client would submit an X-type entry as follows:

Replace Entire Line Method:

Line 1: In the negative line, the client would indicate 10,000 wine glass sets with a value for duty of \$500,000.

Line 2: In the positive line, the client would indicate 10,000 wine glass sets with a value for duty of \$100,000.

OR

Net Change Method:

Line 1: A single negative line indicating 10,000 wine glass sets with a value for duty of \$400,000.

Either method would be acceptable, as the net result would be the same.

Case 9 - Duties overpaid or paid due to an obvious clerical error:

A client imports and accounts for a shipment of 100 television sets. Due to a clerical error, the client keys the value for duty as \$500,000 instead of \$5,000

The client would submit an X-type B3 as follows:

Replace Entire Line Method:

Line 1: In the negative line, the client would indicate 100 television sets with a value for duty of \$500,000.

Line 2: In the positive line, the client would indicate 100 television sets with a value for duty of \$5,000.

OR

Net Change Method:

Line 1: In the negative line, the client would indicate 100 television sets with a value for duty of \$495,000.

7.6 CADEX Format Examples

7. 6.1 Please refer to the “CSA Importer PRD Appendix C – CADEX Format Examples” document.

8.0 OTHER GOVERNMENT DEPARTMENTS

8.1 Processing which involves any other government department at the point of arrival (e.g., permits, certificates, licenses, inspection, etc.) will not be allowed within CSA, **unless a waiver has been obtained.** See D Memoranda D3-1-7 and D17-1-7 for more detail.

Appendix A – Glossary of Acronyms

The following is a list of the acronyms used throughout the document:

ACROSS	Accelerated Commercial Release Operational Support System
<i>Act</i>	<i>Customs Act</i>
AMPS	Administrative Monetary Penalty System
ASN	Advanced Shipping Notification System
ANSI	American National Standards Institute
BN	Business Number
CAD	Canadian Dollars
CADEX	Customs Automated Data Exchange
CBSA	Canada Border Services Agency
CDRP	Commercial Driver Registration Program
CRL	Cargo/Release List
CSA	Customs Self Assessment
CUSDEC	Customs Declarations Message
CUSRES	Customs Response Message
ECCRD	Electronic Commerce Client Requirements Document
EDI	Electronic Data Interchange
FAST	Free And Secure Trade
LVS	Low Value Shipment
MFN	Most Favoured Nation
PARS	Pre-Arrival Review System
PIL	Primary Inspection Line
PRD	Participants' Requirement Document
OIC	Order In Council
RM	RM – Import/Export is the Program Account Identifier portion of Business Number (BN) (i.e., 123456789RM0001)
RMD	Release on Minimum Documentation
RNS	Release Notification System
RSF	Revenue Summary Form
SIMA	Special Import Measures Act
TCP	Trade Chain Partner
TRQ	Tariff Rate Quota
UN/EDIFACT	The United Nations EDI International standard “Electronic Data Interchange For Administration, Commerce, and Transport”

Appendix B – EDI Message Maps & Code Tables

For EDI Message Maps and Code Tables: Please refer to “**CSA Importer PRD EDI MESSAGE MAPS & CODE TABLES – APPENDIX ‘B’ of the CSA Importer PRD**” document.

Appendix C – CADEX Format Examples

For X-Type B3 Adjustments - CADEX Format Examples: Please refer to “**CSA Importer PRD CADEX Format Examples – APPENDIX ‘C’ of the CSA Importer PRD**” document.

Appendix D – Related ACROSS PRD Sections

There is additional related information in Section 3.0 of the ECCRD, the ACROSS PRD. The EDI protocols for these areas of ACROSS remain unchanged for CSA. If you have any questions, please refer to the relevant section under the following numbered headings in the ACROSS PRD:

- 2.0 OPERATING ENVIRONMENT
- 3.0 EDI RELEASE PROCESSING OVERVIEW
- 5.0 MESSAGE SCENARIOS
- 6.0 PARTICIPANT INFORMATION/REQUIREMENTS
- 7.0 SUPPORT INFORMATION
- 8.0 TESTING AND IMPLEMENTATION REQUIREMENTS
- 9.0 PROBLEM REPORTING AND ESCALATION
- 10.0 CLARIFICATION OF MESSAGE AND FUNCTIONALITIES
- 11.0 ELECTRONIC CODE TABLES

Appendix E – Load Specifications for Vendors and Consignees

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

- A list of all U.S. and Mexico vendors and domestic direct ship consignees must be submitted to the CBSA with the Part II, Books and Records, of the application process. If there are significant volumes to be submitted, it is recommended that a test file be forwarded to check for file layout accuracy, before submitting the entire file.
- A complete file must be submitted to CBSA and approved at least three weeks before the CSA start date.

The following outlines the medium on which the list of Vendors and Consignees must be submitted:

Number of Vendors and Consignees	Medium to be Used
25 or less	Include in writing on Part II application
Between 26 and 1000	Diskette or CDROM
Between 1001 and 6000	CDROM
More than 6000	Magnetic Tape

The following instructions are for importers who have a list of more than 25 vendors and direct shipped consignees, to submit to the CBSA.

MEDIA SPECIFICATIONS

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

If a diskette is being submitted, please indicate in writing on the diskette the name of your company, and the name / source of the file.

If a CDROM is being submitted, please indicate in writing on the CDROM the name of your company, and the name /source of the file.

Also, the CDROM **must:**

- Be Compact Disc Recordable, CD-R (i.e. write once);
- Have a disc density of either 640 MB or 700 MB; and,
- Be properly closed.

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

- Name of your company;
- Identified as Vendor Consignee TCP file;
- The name of the file;
- Whether the tape is round or square;
- If applicable, whether the tape is 18 or 36 tracks; and,

- The tape number of the magnetic tape.

Also, the magnetic tape **must**:

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

Note: One file with multi-volume tapes with only one header and one trailer can be copied, up to a maximum of 8 volumes.

FLAT FILE SPECIFICATIONS

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

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

Specifications

Flat files consist of the following:

- A header record;
- Data records; and,
- A trailer record.

All fields must be **left aligned**.

Header Record

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

Field	Data Element	Length	Specifications
1	Record Identifier	2 numeric	Must be '00'
2	Business Number	9 numeric	The 9 digit Business Number of the CSA importer.
3	Filler	439 spaces	439 blank spaces

Example: The header record should begin like this 00123456789 and be followed by 439 blank spaces. **Do not fill with zeros.**

Data Records

Vendor and Direct-Shipped Consignee

Each line (i.e. each vendor or consignee record) must contain 450 bytes (i.e. 450 characters, including spaces). **All of the fields listed below are mandatory** at the set length specified. **Any unused characters must be spaces.** (Do not input "0"s) At the end of each line include a hard return (i.e. press 'enter').

Field	Data Element	Length	Specifications	Example
1	Record Identifier	2 numeric	Must be '02' for consignee records Must be '03' for vendor records	02 03
2	Business Number	15 alphanumeric	BN must be a recognized division of a CSA applicant. Must be 9 digits, the identifier RM followed by 4 digits	123456789RM0001
3	TCP Type Code	2 numeric	Must be one of the following: 01 - Dunn & Bradstreet 02 - internal 03 - business number (CDN registered companies) 04 - internal revenue service (US) 05 - SCAC # 06 - other	03
4	TCP Identifier	15 alphanumeric	Must be 15 characters (including spaces) Will accept number or letters. This must be unique and not duplicated.	12345 67890abcd
5	Address Line 1	30 characters	Must have at least 2 characters; At least one character must be numeric. Will accept punctuation and symbols. Must fill with spaces to equal 30 characters.	128 th St.
6	Address Line 2	30 characters	Will accept punctuation and symbols. Must fill with spaces to equal 30 characters.	Unit 88
7	City	30 characters	Must have at least 2 characters. Will accept punctuation and symbols. (e.g. St. John's) Must fill with spaces to equal 30 characters.	New York
8	Province/State	2 alpha	For consignee records:	AB

	Code		A valid province is mandatory. For Vendor Records: If country code is "US" a valid state code is mandatory; If country code is not "US" a 2 character province/state code can be entered, otherwise it must be filled with 2 blank spaces.	NY
9	Country Code	2 alpha	For consignee records: Must = "CA" For Vendor Records: Can not= "CA"	CA US
10	Postal/Zip Code or other country postal code	10 alphanumeric	For consignee records: Must be <u>valid</u> postal code (no space in the middle) For Vendor Records: If country code is "US" then a valid ZIP code is required. A 5 digit ZIP code must be followed by 5 spaces and a 9 digit ZIP code cannot have the hyphen and must be followed by one space. If country code is not "US", another country postal code can be entered, otherwise it must be filled with 10 spaces.	N9D7H4 12345 123456789 A1A1A1B
11	Business Name	175 alphanumeric	Must be at least 2 alphanumeric; Will accept punctuation and symbols. Must fill with spaces to equal 175 characters.	ABC Importing
12	Filler	137 spaces	Must fill with 137 spaces	137 spaces

The total record must be comprised of 450 characters- including spaces.

Trailer Record

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

Field	Data Element	Length	Specifications
1	Record Identifier	2 numeric	Must be '99'
2	Number of Records	9 numeric	The number of records in the file, including the header and trailer records. This number must have

			preceding zeros (e.g. 000000076)
3	Filler	439 blank spaces	439 spaces

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

REASONS FOR REJECTION OF FLAT FILE SUBMISSIONS

Submissions will be **rejected** if:

- The header record does not exist, is duplicated, or is found elsewhere in the file;
- The header record does not begin with '00';
- The 9 digit Business Number is not valid with the CBSA, or is not a valid CSA importer;
- The header or trailer record does not have exactly 450 characters, including spaces;
- No vendor or consignee records exist (i.e. no data records were provided);
- The vendor/ consignee records are not maximized to exactly 450 characters;
- The TCP identifier (field 4) is duplicated;
- If there is a space in the postal code or it is not a valid postal code;
- The data in each field is not left aligned;
- The trailer record does not begin with '99';
- The total record count does not equal the count in the trailer record, including the header and trailer records;
- The record count field is not 9 digits (e.g. '000000076') and/or,
- There is a hard return after the trailer.

Appendix F –TCP Translation Map

TCP EDI Map				TCP Load File			
Segment	Data Element	Specs	Example	Field #	Data Element	Specifications	Example
BGM	Document Message #	Client defined	1234	N/a	N/a	N/a	N/a
BGM	Message Function	2=add 3=delete	2 3	N/a	N/a	N/a	N/a
CST	SOID	Vendor Consignee	570 * 588	1	Record Identifier	02=consignee 03=Vendor	02 03
CST	Custom Code ID	BN (legal entity)	123456789	N/a	N/a	N/a	N/a
CST	Custom Code ID	BN (division – with RM)	123456789 RM0001	2	BN	BN must be a CSA appl	123456789RM0001
DTM	Processing Date	Date	20050311	N/a	N/a	N/a	N/a
RFF	Reference Function Code qualifier	<u>AQP</u> -Dunn&Bradstreet <u>AQR</u> -USDunn&Bradstreet <u>IA</u> -Internal vendor <u>ANT</u> -Internal Consignee <u>ACB</u> -US Govt Agency # <u>AAZ</u> -Standard Carrier <u>ADZ</u> -CBSA BN <u>ZZZ</u> -Other	ADZ	3	TCP Type Code	01Dunn&Bradstreet 02-internal 03 – CBSA BN 04 – internal revenue service 05 – SCAC # 99 -Other	03
RFF	Reference Identifier	Field represents the above qualifier	123548779RM 1234	4	TCP Identifier	Field represents the above qualifier	123456789RM0001
NAD	Function Code	VN-vendor UC – Consignee		N/a	N/a	N/a	N/a
NAD	Name	Business Name	ABCPaper Products	11	Business Name	Business Name	ABC Paper Products
NAD	Address line 1 And 2	Street address	123 Lisgar st	5/6	Address line 1 & 2	Street address	123 Lisgar St
NAD	City	City	Ottawa	7	City	City	Ottawa
NAD	Province/State Code	Prov/State code	Ont	8	Province/State code	Valid prov/state code	On
NAD	Postal /Zip	Postal or Zip	K1K 3X1	10	Postal ode or Zip	Valid prov/state code	K1K0Z1
NAD	Country Code Name	Country code	CA	9	Country code	Country code	CA
Segment Gr15 CST	Customs identity code	10 digit HS code	This is conditional loop in TCP map				
FTX	Free Text	Descrip of commodity					
LOC	Place or Location	Country of Origin code					
TDT	Mode Transport	Mode of transport					

*Service Option codes 570 and 588 on the EDI map are the record types ACROSS uses to ensure the data are copied under the appropriate CSA application, i.e. Vendor or Consignee.

Appendix G – Transmission Options

In order to connect with the CBSA's host system, the client must choose one of the following transmission options. Please note that the CBSA does not endorse any particular service and its responsibility is limited to making this information available to clients. Any decision on transmission services is the client's and any agreement to purchase is strictly between the vendor and the client. Before submitting an application for Electronic Data Interchange (EDI) services, the client is to ensure that the transmission option chosen is available for the Customs application they wish to use. The client is responsible for all transmission costs to the CBSA.

Third Party Service Provider

There are a variety of approved third party service providers who currently transmit data to the CBSA, using a variety of different communication modes. A list of service providers is available on request from the ECU.

Customs Internet Gateway (CIG)

The CBSA developed the CIG to provide clients a method to transmit and receive data over the Internet. The CBSA adopted a Public Key Infrastructure (PKI) to provide for the security and integrity of the data. Clients are required to purchase the Entrust software for encryption and decryption and to develop or purchase the protocol software to connect to the CIG. Clients would need to transmit the data from a Canadian office as the certificate is only assigned to a device in Canada.

VAN (Value Added Network)

A VAN is a public EDI network which provides an opportunity to exchange EDI transactions with a large number of trading partners using a single communication interface. VANs generally offer a wide range of EDI services. A list of VANs is available on request from the ECU.

Direct Connect to CBSA

The Direct Connect is a more expensive alternative (\$45K in set-up costs and \$15K in annual costs), but provides clients with a direct connection to the CBSA.

For additional information on any of the above options, please contact the Electronic Commerce Unit of Canada Customs at 1-888-957-7224 between the hours of 8:00 a.m. and 5:00 p.m. Eastern time