

TradeMatters

A Newsletter on Customs & International Trade

No. 8 November 2003

Balancing Security and Trade, the new acronyms

There has been a lot of talk about security at the border on one hand, and expediting legitimate traffic and trade on the other. The USA and the Canada have been developing some programs to facilitate this. Here's some new acronyms relative to 'facilitating' legitimate trade that are important for any importer or exporter to know:

Fast - Free and Secure Trade

"The Free and Secure Trade (FAST) program is a joint Canada-U.S. initiative involving the Canada Customs and Revenue Agency, Citizenship and Immigration Canada, and the United States Bureau of Customs and Border Protection (CBP). FAST supports moving pre-approved eligible goods across the border quickly and verifying trade compliance away from the border.

It is a harmonized commercial process offered to pre-approved importers, carriers, and registered drivers. Shipments for approved companies, transported by approved carriers using registered drivers, will be cleared into either country with greater speed and certainty, and (in theory) at a reduced cost of compliance.

In Canada, FAST builds on the Customs Self-Assessment (CSA) program and its principles of pre-approval and self-assessment, as well as increased security measures under the Partners in Protection (PIP) program.

In the US, FAST includes aligning the requirements of Canada's PIP program and the U.S. Customs Trade Partnership Against Terrorism (C-TPAT) program. As part of these programs, companies will have to adopt and implement security procedures to be compatible with guidelines set by both customs agencies."

Web Site: http://www.customs.ustras.gov/xp/cgov/import/commercial_enforcement/ctpat/fast/us_canada/

C-TPAT - Customs Trade Partnership and Terroism (note that this is only a US Customs program)

- C-TPAT is a joint government-business initiative to build cooperative relationships that strengthen overall supply chain and border security.

- C-TPAT recognizes that Customs can provide the highest level of security only through close cooperation with the ultimate owners of the supply chain, importers, carriers, brokers, warehouse operators and manufacturers.
- Through this initiative, Customs is asking businesses to ensure the integrity of their security practices and communicate their security guidelines to their business partners within the supply chain.

C-TPAT web site - http://www.customs.ustras.gov/xp/cgov/import/commercial_enforcement/ctpat/fact_sheet.xml

PIP - Partners in Protection (PIP) (in some ways, this is the Canadian equivalent of C-TPAT)

"Is designed to enlist the co-operation of private industry in efforts to enhance border security, combat organized crime and terrorism, increase awareness of customs compliance issues, and help detect and prevent contraband smuggling.

Your organization will be asked to sign a partnership agreement with the Canada Customs and Revenue Agency (CCRA). The arrangement is based on goodwill. Your organization will not be asked to act as a law-enforcement body, and all information exchanged is treated as confidential. Your organization and the CCRA will work together focusing on security, the exchange of information, and awareness.

To enhance and strengthen your security processes, your company will be asked to give a self-assessment of its security systems. This self-assessment will help identify any weaknesses in security processes and will enable CCRA to help you address any deficiencies. The goal is to minimize the threat of illegal activity."

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LTD.

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Suite 802 - 535 Thurlow Street, Vancouver, BC V6E 3L2
T: 604.684.7505 F: 604.683.7004 W: www.courtney.ca E: info@courtney.ca

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At Courtney Agencies Ltd., our plan is to become a Partners in Protection participant as we feel it will become more and more important that all players in the chain commit to security.

Customs web site: <http://www.ccr-aadrc.gc.ca/customs/general/enforcement/partners/menu-e.html>

CSA

The CSA program will give approved importers the benefits of a streamlined accounting and payment process for all imported goods. The streamlined accounting and payment process allows them to use their own business systems to fully self assess and meet their customs obligations.

The CSA program also gives approved importers, approved carriers, and registered drivers the benefits of a streamlined clearance option for CSA eligible goods. The streamlined clearance process ends the need for transactional transmissions of data related to eligible goods. This allows for the clearance of goods based on the identification of the approved importer,

approved carrier, and registered driver. For a full assessment of CSA, please see our Newsletter of October 2001 "Customs Self Assessment and your Customs Broker".

ACI - Advanced Commercial Information

In support of CCRA's enhanced risk assessment processes, they will require key data to be transmitted electronically before the goods arrive in the country. This data will be processed through a sophisticated targeting tool to detect high-risk shipments. At the same time, legitimate low-risk shipments will be cleared more quickly.

This program will be phased in starting with Marine carrier data in April 2004. Other modes will be phased in. Eventually all commercial data including the data a broker or importer provides to Customs will need to be provided electronically pre-arrival.

Please do not hesitate to contact us for more information on any of these programs.

Whats happening @ Courtney

Our combined B3/invoice - in the spirit of efficiency and reducing our impact on the environment we combined our invoice and the Canada Customs Coding form B3 several years back. This has saved many tons of paper and a lot of time. Unfortunately some of the information contained on these invoices became harder to understand. We understand this and have created an invoice explanation template. This will be included in a first wave of mailing but will be permanently available on our web site at <http://www.courtney.ca/forms/25896Form.pdf> It is very important that you understand the information we provide to Customs on your behalf and to verify that it is correct.

Freight services

Please ask us about our special export rates to China. Through some excellent agency relationships in China and most of Asia, we can offer some very competitive ocean export to Asia. Please ask for Don or email at don@courtney.ca

People update -just a reminder of your main contacts:

Paul Courtney - *Customs, consultant*
Don Courtney - *Freight*
Bernie Lahmann - *Traffic Coordinator, Customs*
Gordon King - *Invoice enquiries, general accounting issues*
Serenna Chan - *Traffic enquiries, assistant*
Sonja Tang - *receptionist and clerical*

AfterHours contact:

Our regular office hours are: Monday to Friday 7:30 am to 5:00 pm. Outside these hours, please call the following numbers:

While we have made every effort to ensure accuracy, the materials contained in "Trade Matters" are necessarily brief and general in nature and should not be construed as legal opinion or advice. For further information, please contact our trade specialists. We publish trade Matters on an occasional basis as a service to our customers. Editor and writer: Paul Courtney; Contributors: Don Courtney, Gordon King, Bernie Lahmann, Serrena Chan, Sanja Tang.

Customs Brokerage: (604) 787-0619
Ship's Agency: (604) 787-0620
Freight Forwarding: (604) 787-0369

If any of these are unavailable, please contact the other numbers. If it is not urgent and we can contact you during regular business hours, please leave a message at (604) 684-7505.

Trade Show Logistics:

For our trade show clients, we have developed a link on our web site with instructions on shipping your exhibit to Canada including the forms required. As this is a completely new feature to our web site and to our trade show services, we appreciate any feedback. The link is www.courtney.ca/tradeshows

Suite 802 - 535 Thurlow Street, Vancouver, BC V6E 3L2
T: 604.684.7505 F: 604.683.7004 W: www.courtney.ca E: info@courtney.ca

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