



COVID-19 Commercial Update to Industry Stakeholders March 30, 2020

KEY MESSAGE

We are continuing our efforts to resolve the issues facing the trade and commercial operations.

Commercial Issues Follow-up Document now included as Annex A of daily update

What We Are Looking Into

- Addressing the follow up questions raised following last Friday's announcement and the publication of Customs Notice 20-11 Extension of Timeframes for Payment of Customs Duties and GST (COVID-19).

Key Issues

- Due to the impact that COVID-19 is having on individuals and businesses, the Canada Border Services Agency (CBSA) has temporarily suspended trade compliance activity interaction with importers/exporters and representatives from March 23, 2020 until April 20, 2020 (i.e. 4 weeks). All deadlines imposed in connection with the verification are automatically extended by a period of time equivalent to the period of suspension. Given the circumstances, the length of this suspension period may be re-evaluated at a later date. For greater clarity, the CBSA is continuing to process drawback claims, applications for the Duties Relief Program, and B2 requests for adjustments, and these are unaffected by this temporary suspension.
- Given the current COVID-19 situation, the CBSA remains committed to being responsible in its risk-based approach to compliance enforcement, nonetheless, carriers remain obligated to meet their reporting obligations during this time. In cases where non-compliance is detected, the CBSA is continuing to perform outreach and will consider individual circumstances in each case to ensure carriers are not unduly impacted. The CBSA recognizes the challenges being faced by carriers at this time, and is allowing for additional time for carriers to respond to outreach inquiries and additional flexibility with respect to those response deadlines.

Other Sources of Information

- Official updates on COVID-19 are available on the [Government of Canada website](#).

Contacts

If you have any follow-up questions, please send to the BCCC at BCCC-CCACF@CBSA-ASFC.GC.CA.

Fred.Gaspar@cbsa-asfc.gc.ca
Director General, Commercial
Office # 613-957-3511
Cell # 343-542-9240

Doug.Band@cbsa-asfc.gc.ca
Director General Trade and Anti-Dumping
Office # 613-954-7338
Cell # 613-295-5992

Border Information Service (BIS) line: Within Canada (Toll-free) - 1-800-461-9999 / Outside Canada (Long distance charges apply) - 1-204-983-3500

Annex A - Commercial Issues Follow-up document

The CBSA is aware of concerns raised by various stakeholders and it is currently exploring ways to address these concerns, where legislation permits. We are working through the following requests and sending daily communications using the Border Commercial Consultative Committee (BCCC) network.

Thank you for your patience. If you have any questions or concerns please contact the [BCCC mailbox](#).

Subject Matter	Question/Concern	Comment/Status
Timeframes/ Extensions	Has CBSA developed any guidance on possibly deferring the issuance of penalties in such cases where Advanced Commercial Information (ACI) is not being submitted within the required timeframe of 24 hours before sailing (i.e. ACI is submitted before sailing but outside the 24 hour timeframe or after the vessel has sailed) and/or developing some alternate processes/timeframes for ACI submissions given the current challenges carriers are facing?	New - Given the current COVID-19 situation, the CBSA remains committed to being responsible in its risk-based approach to compliance enforcement, nonetheless, carriers remain obligated to meet their reporting obligations during this time. In cases where non-compliance is detected, the CBSA is continuing to perform outreach and will consider individual circumstances in each case to ensure carriers are not unduly impacted. The CBSA recognizes the challenges being faced by carriers at this time, and is allowing for additional time for carriers to respond to outreach inquiries and additional flexibility with respect to those response deadlines.
Payment/ Penalties	<p>When can we expect to know your temporary measures for payments and penalties for duties and taxes?</p> <p>Will CBSA be lenient in allowing for incomplete or late March and April SOA payments without penalty with consideration given to the ongoing financial implications for Canadian business in the months following a return to “normal” business?</p> <p>As retailers have been deemed non-essential services and are very concerned about the financial impact of the closure on their business with diminished cash flows, which may impact payment to the receiver general, will consideration be given to deferred or late payment?</p>	RESOLVED - CBSA issued Customs Notice 20-11
Essential Goods / Relief goods	Will new restrictions on Canada-US non-essential travel negatively impact the cross-border transportation of certain crucial natural goods, such as liquefied natural gas, propane, commodities and other goods?	There is no restriction on the movement of goods for the purpose of trade between the US and Canada. The intention of the usage of the word ‘essential’ is simply to distinguish leisure from professional activities. Government of Canada News Release
Payment/ Penalties Timeframes/ Extensions	<p>Would CBSA consider waiving or lowering amounts needed to be paid or secured in order to appeal as well as extend deadlines for monthly Statement of Account (SOA) payments and automatically waiving account penalties?</p> <p>Would it be possible for the CBSA to consider waiving the entire application process for an extension of time to file a dispute and allow for an automatic extension to file a dispute</p>	There is no provision in the <i>Customs Act</i> allowing the CBSA to waive the application for a request for extension as per 60.1, or that allows the CBSA to waive the requirement to pay or post security as per section 60 of the Act.

Systems	What is the status on the use of IID for non-commercial goods?	Resolved - CBSA issued Customs Notice 20-07
Timeframes/ Extensions	Will the 90-day timeframe to submit B2s pertaining to a Trade Compliance Verifications be extended?	Resolved - CBSA issued Customs Notice 20-09
Essential Goods / Relief goods	How will CBSA address the unprecedented demand and urgent need for disinfectants and hand sanitizers during the COVID-19 pandemic?	All essential and business travel will continue unimpeded. Both governments recognize the importance of preserving vital supply chains between our two countries. These supply chains ensure that food, fuel, and life-saving medicines continue to reach people on both sides of the border. Government of Canada News Release
Health and Safety	Will health checks be required for truck drivers? Will there be checks at the border/port of entry or will it only be self-monitoring by drivers and/or companies?	Transport Canada issued a media release March 17, 2020, which provides notable exceptions to the 14-day self-isolation for all arrivals. This includes individuals in the trade and transportation sector such as flight crews, truck drivers, railroaders, mariners. These workers are asked to practice social distancing (2 metres), closely self-monitor, and self-isolate immediately should they exhibit any symptoms. For full details: https://www.canada.ca/en/transport-canada/news/2020/03/new-measures-for-covid-19-response.html More information on travel advice, including a list of exempted travellers, is available on the Coronavirus website .
Vessels	Crew Transfers & Processing/Shore leave	https://www.tc.gc.ca/eng/marinesafety/bulletins-menu.htm
Timeframes/ Extensions	Will extensions be granted for FAST cards and things such as Trusted Trader memberships as they begin to expire?	Resolved - Commercial drivers who hold a valid FAST card that is about to expire, need to re-apply for their membership before it expires to maintain their membership and remain valid in our systems. The CBSA website will be updated accordingly.
Payment/ Penalties	Will late accounting penalties be automatically waived / deadlines delayed?	Resolved - CBSA issued Customs Notice 20-10
Systems	Will the mandatory implementation date for Integrated Import Declaration (IID) remain April 1, 2020?	Resolved - Due to the Covid-19 pandemic, the CBSA will be delaying the decommissioning of the legacy OGD service options until a date later to be determined. Clients may continue using the SWI IID or the legacy service options (OGD-PARS, OGD-RMD) to obtain release of OGD regulated goods.
Payment Process	Will CBSA allow Customs Brokers to pay Annual Licence Renewal by e-payments?	Currently, there is no avenue to pay the fee online and it is business as usual.

We acknowledge that we have received the following inquiries and will update you with responses as information becomes available.

Subject Matter	Question/Concern	Comment/Status
Payment/ Penalties	<p>Various Questions following release of CN 20-11:</p> <ul style="list-style-type: none"> - Does the announcement apply to all size and types of business? - How will interest be calculated, if at all, on any duty and tax payments deferred? - What happens to import bond amounts? - Does it apply to all modes of transportation? - How does this impact the filing of an appeal, if at all? - How does this apply to customs brokers that are paying on behalf of customers? 	New
Timeframes/ Extension	Will additional clarification be given regarding Customs Notice 20-10 - Waiver of Late Accounting Penalties (COVID-19) from a Customs Self-Assessment (CSA) perspective?	
Payment/ Penalties	Has there been any discussion on negating the duty and tax charges on personal effects that clients are unable to pick up at the associated import site due to COVID-19 travel restrictions?	
Vessels	<ul style="list-style-type: none"> - 1/120th B3 (initial entry) - if CBSA/Transport Canada is shut down and officers are not available, how do we present the entry and authority for the C48 (Coasting Trade Licence)? - 1/120th B2 monthly extensions - if CBSA is shut down and officers are not available, what will be the procedures for payment and extension of the C48s next 30-day period? - If a vessel is delayed entering Canada due to Covid-19 restrictions, will there be an extension of the "two-week window" for the start/end dates of the authority for the vessel to work in Canada? It takes 30 business days to reapply so this will not be practical in some cases 	
Timeframes/ Extensions	The CRA will not contact any (SME) businesses to initiate any post assessment GST/HST or Income Tax audits for the next four weeks. For the vast majority of businesses, the CRA will temporarily suspend audit interaction with taxpayers and representatives. Is CBSA considering the same measure for Trade Verification Audits?	
Systems	Will there be a hold placed any significant border modernization efforts (CARM, CERS, SWI, etc.)? Food supply chain networks are overwhelmed with ensuring continuity of business at this time.	Partial Answer only - Due to the Covid-19 pandemic, the CBSA will be delaying the decommissioning of the legacy OGD service options until a date later to be determined. Clients may continue using the SWI IID or the legacy service options (OGD-PARS, OGD-RMD) to obtain release of OGD regulated goods.

Shipping/CLVS	<p>Will CBSA be looking into the below options?</p> <p>Option 1: Allow for the use of the CLVS clearance program for freight shipped directly to Canada from overseas in the marine mode.</p> <p>Option 2. Allow for the use of the CLVS clearance program for overseas freight shipped directly to the United States and moved in-bond and in-transit through the U.S directly to Canada via highway truck. The freight would remain in-bond under CBP customs control and upon arrival in Canada an approved CLVS program participant will submit the required documents i.e. Courier Consist Sheet for release under the CLVS program.</p>	
Shipping/CLVS	<p>Would it be possible for CN to work with CBSA to see if there's a way for courier shipments to be handled on rail in the relatively short term, and in relation to COVID-19 without having to develop systems or requiring change in existing regulation?</p>	
Timeframes/ Extensions	<p>During compliance verifications, CBSA issues interim reports. Will the 30 day time frame for a reply to the interim report be extended?</p>	
Payment/ Penalties Timeframes/ Extensions	<p>Will CBSA extend timeframes for B2 Refunds and Drawbacks and allow for electronic submission of documents as well as not issuing any Administrative Monetary Penalties (AMPs)?</p>	<p>Partial Answer only - CBSA issued Customs Notice 20-10</p>
Border Procedures	<p>Can CBSA provide detailed instructions for drivers on what they are expected to do when arriving at primary inspection lines (PILs)?</p>	<p>Partial Answer only - The CBSA recognizes that preventing the spread of COVID-19 in our facilities is important for everyone and we are taking all measures to ensure our facilities are safe, specifically following the recommendations of the Public Health Agency of Canada. These recommendations include: employees regularly washing their hands, hand sanitizer and sanitizing wipes on site, and increased cleaning of high-touch surfaces and work areas. The CBSA is working with external partners and specialised companies to assist in the cleaning of our facilities. Employees have continuously been reminded of how COVID-19 is transmitted in order to prevent transmission.</p>
Timeframes/ Extensions	<p>Will CBSA be temporarily halting new information requests to importers, relating to <i>Special Import Measures Act</i> (SIMA) inquiries? If not, will you extend the timeframe for official SIMA requests for information?</p>	
Timeframes/ Extensions	<p>In those situations where a time limit to request a refund or drawback under the <i>Customs Act</i> is nearing expiration consideration, will the filing deadline be extended?</p>	
Approval Process	<p>Will emails granting a customs broker authority to act or e-signatures on Agency agreements be sufficient when CBSA requests proof of such authority?</p>	

Timeframes/ Extensions	The Chamber of Commerce notified CBSA that there are a lot of US carnet holders as well as other foreign carnet holders with goods currently in Canada under a carnet that may not be able to re-export the goods on the carnet from Canada prior to the expiry date of the carnet, depending how long this continues. Will we receive policy guidance if that does occur?	
Paper processing issues and electronic alternates	Surety Association of Canada recommends digital bonds to minimize the impact and/or delays resulting from the COVID-19 crisis. Will this be an option?	
Paper processing issues and electronic alternates	<p>Will CBSA accept by email, release requests including required attachments, that currently can be filed only as hard copy?</p> <p>Will CBSA accept by email, requests for the temporary entry of goods?</p> <p>Employees of customs brokers and importers working from home often do not have access to fax machines. Faxes are required for RMD corrections. CBSA Montreal already has this process in place. Will this option be extended to all ports?</p> <p>Customs brokers and importers continue to file new and amended bonds for release prior to payment. It is recommended that a temporary procedure be implemented to allow for the filing of bonds by email.</p>	