



## CIFFA Committee Meetings – October and November 2024

CIFFA's national committees meet several times a year to discuss relevant issues or developments that may affect member companies. Following is a look at what committee members discussed and decided at their most-recent meetings.

### Airfreight Committee – Chair Bill Gottlieb

- **New airfreight security measures** implemented in late August in response to threats originating in Europe have evolved and may continue to evolve as threats do.
- **Transport Canada's Pre-load Air Cargo Targeting (PACT) program** will be implemented as of April 1, 2025. Forwarders who want to do their own filings to Transport Canada will be able to file directly only with the carrier's permission.
- Ramping up **on-site DG inspections** is a priority for Transport Canada at this time. In the context of the International Civil Aviation Organization (ICAO), it's "Canada's turn" to be the focus of audits.
- At least some air carriers have changed their practice around **back-to-back airfreight shipments that arrive without a pre-alert and go on ACI hold**. Until recently, freight forwarders were able to have the origin source change the air waybill from a consolidation to a direct master, and the airline would file the corrected air waybill, the ACI would be lifted and the cargo would be cleared. Carriers are now saying that they will not change an air waybill once the cargo has departed from origin. CIFFA is now advising members to return shipments in this case, as Customs allows freight to be returned to origin without penalty to the Canadian freight forwarder. The agent at origin will be responsible for costs related to returning the freight. CIFFA also suggests that members add a note to this effect to their import department emails.
- CBSA does allow forwarders to **cancel an ACI in instances where they need to make a change post arrival regarding key data elements** such as the cargo control number. To do so, the forwarder must submit a paper BSF673 form. This process will not result in penalties being issued. (If a forwarder cancels and resubmits a filing to make a change of this kind, it is considered a new filing and is subject to penalties.)
- CIFFA and IATA representatives are working together to make recommendations to **update Canada's air dangerous goods training requirements**.

### Customs Committee – Chair Paul Courtney

- **Vague cargo descriptions** continue to be an issue. CBSA flags descriptions such as: auto parts, clothing, general cargo, general books and pharmaceuticals.
- **AMPS penalties** are likely to be assessed more often now that CARM is live. With all hands on deck at CBSA ahead of the CARM release, infractions were going unpenalized. That can be expected to change going forward.

- As of early November, when the committee met, a lot of importers had still not registered in the **CARM portal**. In addition, some service providers were still trying to fix their systems to meet requirements.
- With CARM now live and PACT not in effect until April, the committee sees an **opportunity for CIFFA to reopen discussion with Transport Canada and the CBSA** about single filing of information. Transport Canada, which requires information first (i.e., pre-load), should be able to share that information with CBSA to meet its pre-arrival requirements.

### **Customs Regulatory Committee – Chair Kim Campbell**

- The committee has been very **focused on CARM since the R3 launch on October 21**. It is currently meeting every two weeks to discuss issues.

#### ***October 23 meeting***

- At this point, some transactions were taking hours to process.
- The help desk was extremely busy and hard to reach.
- Brokers faced a backlog of entries and a large number of rejected entries.
- The committee recommended that CIFFA write to the Executive VP of CBSA, to commend the agency on the launch of CARM and to recommend regular communication related to system issues.
- One or more of the large surety companies was still not connected through the portal.

#### ***November 7 meeting***

- Some users were only just starting to transmit at this time, some because their service providers were not prepared.
- Some shipments were being held up because of CARM and, as shipments were rejected, help was hard to get.
- Any company with a history of importing within the last four years was to have been grandfathered in the system, with the RPP indicator on. It seems that this may not have happened in all cases; some shipments are being held up because the RPP indicator was not clicked in the system.
- Getting business numbers for non-resident importers was taking up to four weeks, where it previously took just minutes. CIFFA wrote to the Minister of National Revenue to bring awareness to this issue.
- Because system testing was limited, it's hard to now determine the reason for rejects: Are they happening because of software programming issues, regulatory changes or CBSA malfunctions? Each one must be investigated.
- For RM accounts there is a way to assign nicknames to different accounts to help brokers keep track of what they're for. The nicknames are supposed to be for internal use only, but there are reports that the CBSA is seeing those names and they're creating confusion.
- Old provisions to bring in items duty free (e.g., for trade shows, concerts) have been removed. The policy around this was changed on October 21, but CBSA did not inform the industry. There is no grace period for temporary import bonds and sureties were not set up in the system in advance; some are now transmitting. It appears that CBSA wants people to use the new BSF865 paper form (formerly the E29B), which the industry has not been required to use for many years.

- In the portal, there is an area that importers can see that lists transactions that need to have CADs done. Importers are receiving messages from the CBSA about these, although it is their brokers who are responsible for the CADs. Further, the help desk is telling importers that ask that they are required to act on the items, resulting in importers working to complete CADs themselves in the portal.

#### ***November 21 meeting***

- For recognized trade shows, brokers can avoid use of the BSF865/E29B form if the temporary imports are successfully released under tariff item No. 9993.00.00. If required, the CBSA officer will request a deposit. This process cannot be used for other temporary imports.
- For non-resident importers (NRIs), the CBSA is not now collecting provincial taxes at the border. NRIs are supposed to register to remit their provincial taxes owing.
- The recently announced two-month break from HST will make a lot of work for the industry.
- CBSA officers are reportedly telling importers that their brokers should use their business numbers to clear goods. CIFFA's position is that, as long as brokers are liable under the importer of record regulations, they should not use their BNs to clear customers' goods.

#### **Drayage Committee – Chair Chris Ford**

- Construction of **CN's Milton Logistics Hub**, recently approved to proceed, is expected to be completed in 2027.
- **Strikes at B.C. ports and the Port of Montreal** in November, although brief, had an impact on drayage operators, both during the strikes and afterwards, as backlogs that had built up needed to be cleared.

#### **Freight Brokers Committee – Co-Chairs Tim Drake, Gary Nicholson**

- Committee members agree that some form of **educational offering from CIFFA for freight brokers** would be helpful to industry. Research and consideration of requirements will be first steps in the process of developing a course.
- A recent [CBC Marketplace segment](#) investigated driving centres in the Greater Toronto Area where bribes helped some truck drivers get their licences.
- **Bad actors in the trucking business took the industry by surprise** coming out of the pandemic, but freight brokers have established new processes to counter their schemes. Support is in the works on the American side of the border, as the U.S. FMCSA is working on changes that should help to reduce fraud.

#### **Seafreight Committee – Chair Martin Schultz**

- The committee met before the **work stoppages in November at the Port of Montreal and Western Canada ports**. All affected ports were at the time of the meeting experiencing significant declines in volume.

- In the U.S., **East Coast and Gulf Coast port workers suspended their strike action** until January 15 in exchange for the employers agreeing to a 62% raise. Issues related to automation, retirement, benefits and so on remain to be resolved.
- **Examination centres for the CBSA set their own rates** and are able to charge for storage. There is no oversight body that could address concerns about charges.

#### **Sustainability Committee – Chair Christina Fisker**

- The committee's next project will be to compile information for members on ocean carriers' sustainability initiatives. It will provide an **overview of options available to freight forwarders** as they book freight.

#### **Technology Committee – Chair Marc Bibeau**

- The committee is looking to put together a **series of webinars for members focused on technologies** that improve productivity and reduce repetitive work requirements. The webinars will provide application case studies and possibly live demos.

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If you are interested in joining any of the national committees, please send your request to either [admin@ciffa.com](mailto:admin@ciffa.com) or the Regional Chair for your area, whose contact details can be found in the [National Board of Directors listing](#) on the CIFFA website.