



July 2, 2021

Mr. Bruce Rogers
Canadian International Freight Forwarders Association (CIFFA)
Executive Director

Dear Mr. Rogers:

Thank you for your correspondence of June 14, 2021, regarding the upcoming end of the zero rated penalty period for electronic house bills.

I appreciate the input that you have provided and understand that there continues to be a learning curve with electronic house bill processes for both internal and external stakeholders.

As you are aware, the regulations requiring the pre-arrival, transmission of electronic house bills have been in effect since 2015, and many freight forwarders have been successfully transmitting data for consolidated shipments for many years. The systems changes that occurred in November 2020 were implemented to address program integrity gaps that were discovered during the initial voluntary period for electronic house bills, and the Canada Border Services Agency (CBSA) has remained transparent in our intent to proceed with making electronic house bills mandatory once the systems enhancements were implemented.

Although the six month period of zero rated penalties is consistent with the implementation of previous phases of eManifest, and as in previous implementations, workarounds had to be put in place to address systems gaps and/or policy concerns, we do understand that this phase of eManifest does involve more complex business models requiring a clear understanding of the requirements, and strong communication between multiple trade chain partners.

To that end, the CBSA has provided much more “hands on” support to stakeholders for this phase of the eManifest implementation, including hosting bi-weekly implementation calls where direct questions from industry are answered in real time. I would like to note that the participation in these calls has been decreasing from well over 300 participants in the fall of 2020 and winter 2021, to less than 150 in the last few months. In addition to the implementation calls, the CBSA has been agreeable to all requests made by industry partners and participated in many “one off” meetings to discuss policy and system questions.

I know that our policy team has been working closely with CIFFA to address some of the processing scenarios that add complexity to consolidated shipments (e.g. Flying Trucks, Split Shipments), but most of these processes are not impacted by the pre-arrival electronic house bill penalties. The CBSA has also committed to fixing the one outstanding system defect from the

November 2020 implementation, and has developed a workaround to address that issue in the meantime. Other outstanding issues will only be addressed by greater communication between business partners, however the CBSA has agreed to implementing new notices, and changing who receives those notices to assist with the flow of information between business partners.

In light of your concerns, I would like to advise that the CBSA will refrain from issuing monetary penalties over the next few months, and recommit to continuing our engagement and collaboration with CIFFA and other industry partners, but we will proceed with a full implementation of electronic house bill requirements including monetary penalties in the fall 2021. During this transition time, the CBSA is pleased to continue offering support to external clients through the continuation of bi-weekly implementation calls, and I hope that all freight forwarders and impacted stakeholders take advantage of the information and guidance provided during those calls.

The CBSA will also work on expanding existing external support options in the region during this time.

I hope that this addresses your concerns, and as always we appreciate the engagement and support of CIFFA and look forward to a continued collaborative relationship.

Sincerely yours,

Peter Hill
Vice-President
Commercial and Trade Branch