



Ottawa, July 3, 2009

MEMORANDUM D3-1-1

In Brief

POLICY RESPECTING THE IMPORTATION AND TRANSPORTATION OF GOODS

1. The Memorandum D3-1-1, dated September 16, 2008, supersedes Memorandum D3-1-1, dated February 26, 2004.
2. This In Brief page has been revised to denote changes made as a result of the Government of Canada's Paperwork Burden Reduction Initiative. This revision replaces the In Brief page dated September 16, 2008.
3. In accordance with the above, the following changes were made:
 - (a) *Regulations Respecting the Reporting of Imported Goods, Regulations Respecting the Transportation of Goods and Regulations Respecting the Reporting of Exported Goods* have been deleted. These Regulations are available on the Justice Canada Web site: www.justice.gc.ca.
 - (b) Paragraph 4, General Authorizations (Memorandum D3-1-1, dated February 26, 2004) was revised; refer to paragraph 7, Carrier and Freight Forwarder Identification (Memorandum D3-1-1, dated September 16, 2008). Requirements and information details have been transferred to D1-7-1, *Posting Security for Transacting Bonded Operations*.
 - (c) Paragraph 7, General Authorizations, was deleted as details are available in the modal specific Memorandum (ex. D3-3-1, *Forwarded and Consolidated Cargo-Import Movements*, paragraphs 7, 8, 9).
 - (d) Paragraphs 8, 9, 10, 11, 12, Bond Requirements, were deleted as the requirements and information are available in Memorandum D1-7-1.
 - (e) Paragraph 15, Single Trip Authorizations; all references to Single Trip Authorizations were deleted from this Memorandum as the information is available in D3-4-2, *Highway Cargo-Import Movements*, paragraph 8.
 - (f) Paragraph 33, Cargo Reporting - In Transit Movements (Memorandum D3-1-1, dated February 26, 2004), was revised; refer to paragraph 19 (Memorandum D3-1-1, dated September 16, 2008). Details are available in the modal specific Memorandum (D3-2-2, *Air Cargo – Import and In-transit Movements*; D3-4-5, *Highway Cargo – In-transit Movements*; D3-5-2, *Marine Cargo – Import Movements*; D3-6-7, *Rail Cargo – In-transit Movements*).
 - (g) Paragraphs 37 and 39, Cargo Reporting, were deleted as the details are available in the modal specific Memorandum (D3-2-2, D3-4-5, D3-5-2, D3-6-7).
 - (h) Paragraph 63, Shipper's Load and Count, was deleted as the requirements are available in the modal specific Memorandum (D3-2-2, D3-4-5, D3-5-2, D3-6-7).
 - (i) Paragraph 73, Remanifest Cargo Control Documents (Memorandum D3-1-1, dated February 26, 2004), was reworded for clarity; refer to paragraph 52, Remanifested Cargo Control Documents (Memorandum D3-1-1, dated September 16, 2008).



Printed in Canada



Ottawa, September 16, 2008

MEMORANDUM D3-1-1

POLICY RESPECTING THE IMPORTATION AND TRANSPORTATION OF GOODS

This memorandum outlines and explains general Canada Border Services Agency (CBSA) requirements and administrative policies regarding the reporting and transportation of goods being imported into and moving in-transit through Canada by all modes of transport.

This memorandum does not outline the policies and procedures for reporting goods under the Customs Self Assessment (CSA) Program or goods being exported from Canada. For information regarding the Customs Self-Assessment (CSA) Program policies, guidelines and procedures, refer to Memorandum D3-1-7, *Customs Self Assessment Program for Carriers*. For information about the reporting and transportation of goods being exported from Canada, refer to Memorandum D3-1-8, *Cargo – Export Movements*.

TABLE OF CONTENTS

Guidelines and General Information	1
Introduction	1
Carrier and Freight Forwarder Identification	1
Application to Transmit Electronic Data to the CBSA	2
Sealing Requirements	2
Cargo Reporting	2
Corrections to Cargo Control Documents or Electronic Cargo Transmissions	3
Shortages	3
Overages	4
Shipper's Load and Count	4
CBSA Cargo Control Abstract	5
Remanifested Cargo Control Documents	5
Diversions	6
Interline Transfers	6
Delivery Requirements	7
Delivery Requirements – Exemptions	7
Transfers Between CBSA Release Points	8
Notification of Release of Goods to Warehouse Operators	8
Outstanding Cargo Control Documents Tracing Procedures	9
Shipments Subject to the Requirements of Other Government Departments	10
Penalty Information	10
Ordering Publications and Forms	10
Additional Information	11
Appendix A – Glossary	12
Appendix B – CBSA Cargo Control Abstract, Form A10, Completion Instructions	13

Appendix C – Cargo Control Document Specifications	14
Appendix D – Bar Code Specifications for Cargo Control Numbers	16
Appendix E – Cargo Control Document, Form A8A(B), Completion Instructions	19
Appendix F – Diversion Notice, Form A30	21

GUIDELINES AND GENERAL INFORMATION

Introduction

1. The *Customs Act*, the *Reporting of Imported Goods Regulations* and the *Transportation of Goods Regulations*, establish the time of report, manner of report and who reports goods entering or moving in-transit through Canada. To obtain a copy of the regulations, please see the Justice Canada Web site at www.justice.gc.ca.
 2. Except as otherwise prescribed in the *Reporting of Imported Goods Regulations* and the *Transportation of Goods Regulations*, all commercial goods that are imported or moving in-transit through Canada must be reported to the Canada Border Services Agency (CBSA) at first point of arrival (FPOA), even when exempt from Advance Commercial Information (ACI) notification. The requirement to report goods to the CBSA is effected orally or in writing in the prescribed manner.
 3. The receipt of cargo control information enables the CBSA to:
 - (a) Control the movement of goods;
 - (b) Ensure payment of duty and tax as prescribed by the *Customs Tariff*, *Excise Tax Act*, *Excise Act 2001* and the *Special Import Measures Act*;
 - (c) Ensure compliance with other Acts of Parliament that control, prohibit, or regulate the import or in-transit movement of any specified commodity; and
 - (d) Keep Canadians safe.
- ### Carrier and Freight Forwarder Identification
4. For the purpose of identifying carriers and freight forwarders, a four-character code will be assigned by the CBSA to eligible companies. This code must be shown on all cargo control documents or provided in Electronic Data Interchange (EDI) transmissions.
 5. Carriers and freight forwarders must advise the CBSA in writing, within 30 days of any change to their legal entity, name, address and contact information.

6. Only carriers or freight forwarders that have filed security with the CBSA are permitted to transport in-bond goods between points in Canada.

7. Information on posting security and requirements involving legal name changes may be found in Memorandum D1-7-1, *Posting Security for Transacting Bonded Operations*. A sample of the *Customs Bond*, Form D120, is available on the CBSA Web site at www.cbsa.gc.ca.

8. For information regarding mode specific security requirements refer to:

- D3-4-2, *Highway Cargo – Import Movements*
- D3-2-1, *International Commercial Air Traffic and Conveyance Reporting*
- D3-6-6, *Rail Cargo – Import Movements*
- D3-5-2, *Marine Cargo – Import Movements*
- D3-3-1, *Forwarded and Consolidated Cargo – Import Movements*

9. Customs brokers who have filed the maximum security of \$25,000 may contract with carriers to use the customs broker's carrier code and security to cover the in-bond movement of goods. The customs broker must issue a letter authorizing the carrier to use the carrier code. This authorization must be in the carrier's possession for verification by the CBSA when the cargo control document is presented. The following information must be on the authorization: name of customs broker, carrier code, contracting carrier's name, title of the person signing the authorization, and the effective and expiry dates. The customs broker assumes full liability for the goods and the performance of the non-bonded carrier to the CBSA. Any tracers or penalties will be issued to the customs broker.

Application to Transmit Electronic Data to the CBSA

10. Under the ACI program, all marine and air carriers must transmit pre-arrival electronic cargo and conveyance data using EDI. For more information, refer to Memorandum D3-2-1 for air shipments and Memorandum D3-5-2 for marine shipments.

Note: For CSA approved highway carriers wishing to transmit data electronically, refer to Memorandum D3-1-7. For rail carriers wishing to transmit data electronically, refer to Memorandum D3-6-6.

Sealing Requirements

11. Unless otherwise stipulated, conveyances, containers or compartments moving to an inland destination in-bond for examination and/or release must be sealed with CBSA or company seals.

12. If a conveyance or container or part thereof that contains in-bond goods is sealed with a company seal, the seal number must be noted correctly on the cargo control document. The company seal will remain intact, unless the CBSA performs an examination, and part of the shipment is released at the border and the remainder is to be released inland. In these instances, a CBSA seal must be affixed to the conveyance for furtherance inland.

13. Unless otherwise specified, a conveyance or container transported by a post-audit or CSA approved carrier does not have to be sealed, if the goods are manifested to an inland destination.

14. The CBSA reserves the right to seal any container, conveyance or compartment at any time.

15. Member companies of the Partners in Protection (PIP) program have agreed to use high security seals in their international supply chains. The responsibility for the use of high security seals rests with the PIP approved importer and the PIP approved carrier. More specific information on PIP can be found on the CBSA Web site.

Cargo Reporting

16. Unless exempted under the regulations, commercial goods being imported into Canada must be reported by the carrier to CBSA on an approved cargo control document or via EDI in accordance with departmentally approved standards. In lieu of a cargo control document or cargo EDI transmission, shipments eligible for the *Courier Imports Remission Order* or the *Courier Low Value Shipment Program* can be reported to CBSA on a consist sheet or cargo/release list, respectively. Further information on consist sheet or cargo/release list reporting can be found in Memorandum D8-2-16, *Courier Imports Remission Order*, or Memorandum D17-1-2, *Reporting and Accounting for Low Value Commercial Goods (Under CAN\$1,600)*.

17. A cargo control document, cargo EDI transmission, or other CBSA approved cargo report will not be required:

- (a) where a shipment has been granted line release privileges under the Pre-Arrival Review System (PARS); or
- (b) where a shipment is being transported by the importer, who obtains release of, and accounts for, the goods by presenting a Form B3, *Canada Customs Coding Form*, type C, cash accounting document at the initial CBSA office of report.

18. For information regarding goods imported by courier, regardless of mode, refer to:

- Memorandum D17-1-2, *Reporting and Accounting for Low Value Commercial Goods (Under CAN\$1,600)*; and
- Memorandum D17-4-0, *Courier/Low Value Shipment Program-Low Value Commercial Goods*

19. For further information on the reporting documentation and procedural requirements for the inward portion of the in-transit or Freight Remaining on Board (FROB) movement of a shipment refer to the Memoranda D3 series relating to the particular mode of transportation. These include:

- Memorandum D3-2-2, *Air Cargo – Import and In-transit Movements*;
- Memorandum D3-4-5, *Highway Cargo – In-transit Movements*;
- Memorandum D3-5-2, *Marine Cargo – Import Movements*; and
- Memorandum D3-6-7, *Rail Cargo – In-transit Movements*.

20. When reporting goods to the CBSA, which are exempt from ACI, carriers may use the standard *CBSA Cargo Control Document*, Form A8A(B), which is available at all CBSA offices or which may be ordered online through the CBSA Web under “Publications and Forms”. Carriers may also privately print the cargo control document, Form A8A(B), in accordance with the specifications contained in the Appendix C of this memorandum. Alternatively, carriers may use other approved cargo control documents such as the IATA standard air waybill for air cargo; Form A6A, *Freight/Cargo Manifest* for marine cargo; Form A8B, *United States-Canada Transit Manifest*, for in-transit goods being transported by highway mode, etc.

Note: For further information on alternate cargo control documents that meet CBSA requirements and instructions on the completion of the prescribed reporting documents, refer to the Memoranda D3 series relating to the particular mode of transport and Memorandum D17-1-2. These include information on forms A8A(B), A6A, A8B, A10, and A30.

Note: For further information on reporting automotive production and service goods refer to Memorandum D17-3-1, *The New Automotive System – Highway Mode*.

Corrections to Cargo Control Documents or Electronic Cargo Transmissions

21. Any corrections must be made to all copies of the original cargo control document before presenting it to the CBSA. Corrections may also be made to cargo control data elements, which have been electronically transmitted to the CBSA.

Note: Instructions for providing corrected information in the required electronic format are found in the Electronic Commerce Client Requirements Documents which can be found on the CBSA Web site.

22. Corrections to a cargo control document may also be made after the carrier has reported to the CBSA, if the long room and CBSA delivery authority copies have not been

presented to the broker/consignee. The corrections are to be made on the long room and CBSA delivery authority copies and presented to the CBSA, accompanied by supporting evidence, if the quantity or description is changed.

Acceptable supporting evidence will be the original bill of lading, waybill, interlined pro-bill or other acceptable document from the point of loading. The long room and CBSA delivery authority copies will be returned to the carrier for presentation to the consignee.

23. When a cargo control document must be rewritten, the rewritten document must bear the same cargo control number as the original. A notation must be shown on the new document in the description of goods section stating the reason the original document has been rewritten. Any change in the quantity or description of goods must be supported by documentation such as the original bill of lading, waybill, interlined pro-bill, or other acceptable document from the point of loading.

Note: Instructions for re-transmitting cargo control information are found in Electronic Commerce Client Requirements Documents which can be found on the CBSA Web site.

24. The carrier should rewrite the cargo control document for a change in quantity on a shipper’s load and count only when the original bill of lading or interlined pro-bill contains a typographical or other error, or when an error occurred in the preparation of the cargo control document.

25. The carrier must present all copies of the rewritten document with the long room and CBSA delivery authority copies of the original document, and the supporting documentation, where necessary, to the CBSA for validation.

26. If found to be acceptable, the long room and CBSA delivery authority copies of the rewritten document will be date stamped on the reverse of the document. The rewritten long room and CBSA delivery authority copies will be returned to the carrier for furtherance to the consignee. The CBSA will destroy the original CBSA delivery authority copy. The rewritten mail copy (with the original long room copy and supporting documentation) will be retained by the CBSA.

Shortages

27. A shortage is any deficiency in the number of pieces in a shipment against the quantity reported at FPOA.

28. As the carrier’s report to the CBSA is proof of the goods being on board the conveyance, all goods reported to the CBSA are deemed to have landed in Canada.

29. Duty and taxes will be assessed on all goods reported unless acceptable evidence of a shortage is presented to the CBSA. Presentation of evidence of the shortage is the responsibility of the party liable for payment of the duties and taxes.

30. Acceptable evidence of a shortage can consist of written evidence of payment of a claim by a foreign carrier, a statement by a border services or peace officer that the goods were lost or destroyed through an accident, fire or documentation from the vendor, exporter, shipper or warehouse operator at the point of departure attesting that a true shortage did exist and was not the result of theft, loss, etc.

Note: Documentation originating from the carrier is not considered acceptable evidence of a shortage. Shortages must be substantiated by a third party.

31. Where evidence of a shortage cannot be provided within 70 days of the initial report, duties and taxes owing for the short goods must be paid. For information on refund claims, refer to Memorandum D6-2-2, *Refund of Duties*.

32. Shortages previously noted on waybills at a trans-shipment point outside Canada, or as ascertained by a physical check by a border services officer at the CBSA office of importation, must be noted on all copies of the cargo control document. For example:

10 cases
1 case short at ... (location where goods were found short)

33. When portions of a shipment previously identified as a shortage are forwarded to Canada, they must be reported. The new document or EDI transmission record must bear a reference to the original cargo control document number in the description of goods field.

Overages

34. An overage means any excess in the number of pieces reported.

35. All such goods found by the CBSA or the carrier must be documented immediately by the carrier on a cargo control document or reported by means of the appropriate EDI cargo transmission. All copies of the cargo control document must be presented to the CBSA for validation and processing. The Long Room and CBSA Delivery Authority copies will be returned to the carrier for furtherance to the consignee for use in effecting CBSA clearance.

36. As overages represent cargo that has not been reported to the CBSA as required under the *Customs Act*, when a border services officer discovers an overage during a CBSA check or examination, the carrier will be assessed the appropriate penalty. For additional information on penalties, please see paragraphs 105 to 107 of this memorandum and Memorandum D22-1-1, *Administrative Monetary Penalty System*.

37. In the case of post-audit carriers, a penalty will not be assessed, if the carrier can provide proof within 24 hours of arrival of the shipment that a cargo control document had been prepared for the goods, before their arrival in Canada. When the carrier prepares the new cargo control document

to cover the unreported goods, the document must bear a reference to the original cargo control document number in the description of goods section of the document. This privilege does not apply to post audit air carriers due to the implementation of ACI.

Note: Acceptable proof includes presentation of the original cargo control document, an internal discrepancy report showing the loading error, or other evidence.

38. In the case of overages found by a carrier within their own system, the carrier must report the goods to the nearest CBSA office immediately on a cargo control document or transmit the appropriate EDI cargo transmission. This action will be considered a voluntary disclosure, and the carrier will not be assessed a penalty.

39. In the case of goods owned by the carrier (company owned material, (COMAT)), or where goods are being carried in a conveyance (truck, aircraft, etc.) owned or controlled by the importer or shipper, the CBSA will seize the unreported goods and the conveyance.

40. Domestic goods shipped from one point in Canada to another point in Canada, found astray in the United States and returned to Canada must be covered by a cargo control document or appropriate EDI cargo transmission showing the CBSA office of re-importation as the receiving CBSA office. After verification of the facts, the shipment will be released to the carrier.

Note: Verification will consist of satisfactory evidence provided by the U.S. Customs and Border Protection or the carrier at the trans-shipment point where the goods were found. The cargo control document or EDI cargo transmission will be acquitted by reference to this memorandum.

41. U. S. shipments destined for other points in the United States, but found astray by the carrier in Canada are to be returned to the United States under a cargo control document. The carrier must have a certificate typed on the document that the shipment was found astray in Canada on the applicable date and is now being returned to the United States in the same condition as received. The certificate must also state that the goods have remained under CBSA control and have a space for the signature of a border service officer. When the goods are exported, the long room and CBSA delivery authority copies must be presented to the CBSA at the point of exit. The CBSA delivery authority copy will be returned to the carrier after being stamped by the CBSA, and the long room copy will be assigned an outward report number and retained by the CBSA.

Shipper's Load and Count

42. When cargo is carried under shipper's load and count arrangements between the carrier and the shipper, the cargo control document must be clearly marked "shipper's load

and count” and the shipper must seal all units before transfer to the carrier. “Shippers load and count” is not a description of the goods.

43. The carrier must maintain a seal record and note the seal number on the cargo control document. A border service officer must supervise the breaking of a shippers seal when required for CBSA purposes. The border service officer will reseal the unit with a CBSA seal and notate the new number on the documents.

CBSA Cargo Control Abstract

44. A shipment must be abstracted when its cargo control document will be accounted for by more than one CBSA accounting document or other clearance document, with the exception of split shipments in the air mode. Importers or their agents must document abstracts on *CBSA Cargo Control Abstract*, Form A10.

45. A Form A10 must be prepared for each portion of the shipment requiring separate acquittal. The entire quantity shown on the carrier’s original cargo control document must be accounted for on the cargo control abstracts.

46. Form A10 is a five-part form consisting of the following copies:

- (a) CBSA Control copy
- (b) Long Room copy
- (c) CBSA Delivery Authority copy
- (d) Warehouse Operator’s copy
- (e) Issuer’s copy

Note: An example of this form can be seen on the CBSA Web site under “Publications and Forms”, and can also be ordered online.

47. Each cargo control abstract must show a unique number consisting of the cargo control number on the master cargo control document suffixed by the character X and a sequential numeric digit, beginning with 1.

For example:

- (a) If a shipment manifested by a carrier were to be accounted for by three separate acquittal documents, three abstracts would be prepared. The master cargo control number 6110 SA12345 would be shown in the “Master Cargo Control No.” field of each abstract, and the three abstracts would be numbered 6110 SA12345X1, 6110 SA12345X2, 6110 SA12345X3; or
- (b) System limitations allow for a maximum of 25 characters. Therefore, where a cargo control document consisting of 23 characters is to be abstracted into more than nine shipments, the cargo control number on the master document would be suffixed by:

- (i) X1 to X9 for the first nine abstracts,

- (ii) Y1 to Y9 for the next nine abstracts,

- (iii) Z1 to Z9 for the next nine abstracts,

- (iv) A1 to A9 for the next nine abstracts,

- (v) B1 to B9 for the next nine abstracts, etc.

Note: The character “D” cannot be used as a suffix in abstract numbers.

48. The importer or their agent must present all copies of the abstracts listed on the A10, as well as the long room and CBSA delivery authority copies of the original cargo control document (CCD), prior to the release of any portion of an abstracted CCD.

49. The CBSA delivery authority copy of the original cargo control document will be notated “Abstracted” by the CBSA and returned to the warehouse operator for record-keeping purposes. The CBSA control copy of each abstract, along with the long room copy of the original cargo control document will remain with the CBSA. The long room and CBSA delivery authority copies of each abstract will be returned to the consignee for presentation with the clearance documents. The importer or their agent will forward the warehouse operator’s copy of each abstract to the warehouse operator for record-keeping purposes. The “Issuer’s copy” of each abstract will be returned to the importer or their agent. Further details on the warehouse operator’s record-keeping requirements can be found in Memorandum D4-1-4, *Customs Sufferance Warehouses*.

50. Under no circumstances may cargo be removed from a sufferance warehouse once abstracts have been presented without presentation of a valid acquittal document or a remanifest cargo control document to cover the movement of the goods. Failure to comply will result in the issuance of Administrative Monetary Penalties.

Remanifested Cargo Control Documents

51. In situations where cargo must be remanifested (for example, a change in the carrier who is transporting the in-bond shipment), a new cargo control document, otherwise known as a remanifest, must be presented to the CBSA before the goods are allowed to proceed. The information shown on the remanifest must match the information on the original cargo control document. Any discrepancies must be approved by the CBSA. The remanifested cargo control document must have a new cargo control number with the original cargo control number notated in the “previous cargo control number” field.

52. The carrier code appearing in the carrier code/cargo control number field of the remanifested cargo control document represents the carrier who is liable for the goods.

53. In the case where the original cargo is to be split for furtherance to more than one destination, remanifests are to be prepared for each portion of the shipment, by destination.

All the remanifest cargo control documents for the total quantity of the original cargo control document must be presented to the CBSA at the same time.

54. Carriers operating under the post-audit system must number their remanifest cargo control documents with the pro-bill or waybill number assigned to the consignment within their system.

55. All copies of the remanifest cargo control documents must be presented to the CBSA, accompanied by the long room and CBSA delivery authority copies of the previous cargo control document. The CBSA delivery authority copy of the original cargo control document will be notated "Remanifest" and initialled by the border service officer for return to the warehouse operator. The mail and station copies of the remanifest cargo control documents will be retained by the CBSA, and the remaining copies will be returned to the carrier.

Diversions

56. For the purpose of these instructions, a diversion occurs when a shipment is rerouted to another CBSA office, before arriving at the destination CBSA office or sufferance warehouse indicated on the cargo control document. If it is determined that the goods should have been directed to another CBSA office for release only after arrival at the destination, then a remanifest must be submitted. No more than one diversion of the same shipment will be allowed before a new cargo control document is issued.

57. For information on diversion reporting procedures for the air and marine modes, where ACI cargo and conveyance reporting applies, please see Memorandum D3-2-2 (for air mode) and Memorandum D3-5-2 (for marine mode).

58. It will be the responsibility of the carrier in whose system the diversion occurs to prepare a *CBSA Diversion Notice*, Form A30, in duplicate, and attach both copies to the long room copy of the cargo control document.

59. The diversion notice will be supplied by the carrier in 21.5 cm by 14 cm (8 in. by 5 in.) size and printed on blue paper. If the carrier so elects, the diversion notice can be prepared in triplicate. The third copy will be date-stamped and returned to the carrier for record purposes. Diversion notices must be in the format prescribed in Appendix F of this memorandum.

60. The diversion notice and the long room and CBSA delivery authority copies of the cargo control document must be given to the consignee, or connecting carrier if interlined, for presentation with the relative acquittal documents at the CBSA office of release. The diversion notice will remain with the acquittal document until numbered.

61. Diverted shipments cannot be released by the CBSA without a diversion notice attached to the cargo control document. In situations where the carrier neglects to

provide the consignee with a diversion notice, it is the consignee's responsibility either to obtain it from the carrier or to prepare a diversion notice (in duplicate) for presentation to the CBSA.

62. If a discrepancy exists, the CBSA office of release will contact the CBSA office at the point of arrival by returning the diversion notice with a copy of the cargo control document. It will be the responsibility of the CBSA office at the point of arrival to resolve the discrepancy.

63. When only a portion of the shipment is to be diverted to another CBSA office for release, abstracts must be prepared to cover the re-routed portions of the shipment as well as the portions of the shipment to be cleared locally. The re-routed portion must then be documented on a remanifest, which will cancel the abstract.

64. Diversion notice procedures are not applicable to shipments covered by a freight forwarder's cargo control document or *CBSA Cargo Control Abstracts*, Form A10.

Interline Transfers

65. Post-audit carriers may transfer in-bond goods to a secondary bonded carrier for furtherance to the destination under the post-audit carrier's original cargo control document, as outlined in paragraphs 91(e) and 94 of this memorandum, provided that the final destination is indicated on the original cargo control document and the transfer is covered by an in-bond interline transfer document, which meets CBSA requirements. The transferring carrier will surrender the long room and CBSA delivery authority copies of the cargo control document to the delivering carrier who, in turn, will surrender the documents to the broker or importer at the destination CBSA office.

66. For the transferring carrier to be absolved of liability to the CBSA once the goods have been transferred, the in-bond interline transfer document must meet the following requirements:

- (a) it must be clearly marked "in-bond";
- (b) it must clearly identify the carrier to whom the shipment is being interlined;
- (c) it must identify the shipment being transferred by cargo control number, consignee, shipper, quantity and description of goods;
- (d) it must identify the conveyance or vehicle identification number;
- (e) it must indicate the interline transfer point and the sufferance warehouse to which the goods are to be delivered pending release by the CBSA; and
- (f) it must be signed and dated by the carrier to whom the shipment is being transferred.

Delivery Requirements

67. In-bond goods that have not been released by the CBSA at the first point of arrival must be delivered to another CBSA office or a specified sufferance warehouse for CBSA release, unless exempted from this requirement by the CBSA (see paragraph 70 of this memorandum).
68. Information about general delivery requirements into sufferance warehouses may be found under “Delivery Requirements and Transfers to Sufferance Warehouses” in the Memoranda D3 series outlining the cargo procedures for the specific mode of transport.
69. Cargo arriving in Canada as marine or rail traffic can be transferred to a highway carrier and move forward to its destination on the primary marine or rail cargo control document provided that:
- (a) the highway sufferance warehouse at the destination is licensed to receive shipments on marine or rail cargo control documents;
 - (b) the CBSA office at the destination is indicated in the manifest’s “to” field on the primary cargo control document; and
 - (c) the marine shipments are being transported to their destination under an overland movement authority and security (see Memorandum D3-5-2).

Delivery Requirements – Exemptions

70. The following commodities have been exempted from the delivery requirements outlined in paragraph 67 of this memorandum:

- (a) articles imported as settlers’ effects (tariff item No. 9807.00.00) or under the provisions of tariff items Nos. 9805.00.00 and 9808.00.00;
- (b) Goods imported for a period not exceeding six months for the purpose of display at a convention or a public exhibition at which the goods of various manufacturers or producers are displayed;
- (c) empty cargo containers repositioned for loading export cargo;
- (d) goods subject to the *Explosives Act*;
- (e) goods transferred from a bonded warehouse in one CBSA office jurisdiction to a bonded warehouse in another CBSA office jurisdiction, provided the fields indicating the sending and receiving CBSA offices on the cargo control document are properly completed. For example, manifested from the CBSA office of Toronto, bond No. 20, to the CBSA office of London, bond No. 13;
- (f) goods for delivery to a CBSA bonded warehouse under the jurisdiction of a frontier CBSA office may be manifested directly onto the frontier CBSA office,

when no sufferance warehouse is established at the location;

- (g) goods being the property of the U.S. government, arriving by highway and manifested on Argentina, Newfoundland, for release (provided the imported goods comply with the restrictions imposed by the *Excise Act 2001*); and
- (h) goods for delivery to a duty-free shop (alcohol and tobacco products are covered in paragraph 71 of this memorandum).

71. Spirits, wine and tobacco products are exempted from the delivery requirements outlined in paragraph 67 of this memorandum, under the circumstances outlined below and may be delivered as explained in this paragraph:

- (a) Bulk spirits may be released to the possession of a spirits licensee or a licensed user, while bulk wine may be released to the possession of a wine licensee or a licensed user, under the provisions of the *Excise Act, 2001*. The actual importation of bulk spirits must be specifically allowed under the *Importation of Intoxicating Liquors Act* or otherwise be carried out by a provincial liquor board, commission or other provincial government agency for release to the appropriate licensee under the *Excise Act, 2001*.
- (b) Importations of packaged spirits and packaged wine by a provincial liquor board, commission, or other provincial government agency may be released, with deferral of the additional duties equal to excise duties, to the possession of the licensed excise warehouse of that organization, in accordance with the provisions of the *Excise Act, 2001*.
- (c) Non-duty paid packaged spirits or packaged wine destined for use as ships’ stores, for personal or official use by accredited representatives in Canada or for sale in a duty free shop may be released directly for such purposes without payment of the additional duties equal to excise duties or may be entered into an excise warehouse or a customs bonded warehouse on a duty deferred basis, in accordance with the *Excise Act, 2001*. Bulk spirits and bulk wine, as well as packaged spirits and wine, may also be placed in a customs bonded warehouse if they are intended for delivery to a point outside of Canada. These are the only circumstances under which spirits and wine may be placed in customs bonded warehouses.
- (d) For additional information on the warehousing, delivery requirements and restrictions related to alcohol and tobacco products please see the following:

- Memorandum D3-1-3, *Commercial Importation of Intoxicating Liquors*;
- Memorandum D4-3-5, *Duty Free Shop*, and

- Memorandum D18-3-1, *Reporting and Accounting of Excise Duties on Imported Tobacco, Tobacco Products, Wine and Spirits, and Release of Those Goods.*

72. For additional information on excise policy related to alcohol and tobacco products, please contact the excise duty section of your regional Canada Revenue Agency (CRA) office; for a directory of regional offices please see the CRA Web site at www.cra.gc.ca.

Transfers Between CBSA Release Points

73. A transfer is effected by the movement of goods from one release point to another.

74. Information about transfers between sufferance warehouses may be found under “Delivery Requirements and Transfers to Sufferance Warehouses” in the Memoranda D3 series relating to the cargo procedures for the particular mode of transport.

75. Goods transferred from a sufferance warehouse to a private bonded warehouse will not be documented on a cargo control document, as CBSA control will be effected under the B3 accounting document. Responsibility for loss will rest with the importer of record on whose behalf the transfer was made. This shall also apply to goods transferred between private bonded warehouses within the jurisdiction of one CBSA office.

76. Goods transferred from or into a public bonded warehouse must be documented on a cargo control document. A cargo control document will also be required when goods are transferred from a private or public bonded warehouse in one CBSA jurisdiction into a private or public bonded warehouse in another CBSA office jurisdiction.

77. Where possible, the cargo control document covering the transfer must be presented at the same time as the B3 accounting document and it must bear a reference to the B3 accounting document number in the description of goods section. The quantity and description of goods shown on the cargo control document must be identical to that shown on the B3 accounting document. Where the goods are moving from a sufferance warehouse into a public bonded warehouse, the CBSA Delivery Authority copy of the original cargo control document, which covered the movement of the goods into the sufferance warehouse, will not be returned to the sufferance warehouse operator until the CBSA receives and validates the cargo control document covering the transfer of the goods.

78. After validation of the B3 accounting document and cargo control document, the long room and CBSA delivery authority copies will be returned to the carrier for presentation to the receiving warehouse operator. The CBSA will retain the mail and station copies for control purposes.

79. Upon delivery of the goods to the bonded warehouse, the warehouse operator must acknowledge receipt of the goods on the long room and CBSA delivery authority copies. Any discrepancies in the number of pieces should also be noted.

80. When the goods have been transferred from a bonded warehouse, the warehouse operator will present the long room and CBSA delivery authority copies to the consignee or agent for subsequent presentation with the B3 accounting document for re-warehousing.

Notification of Release of Goods to Warehouse Operators

81. When the CBSA transmits notification of the release of a shipment to warehouse operators by facsimile or via a Release Notification System (RNS) message, the following information must be given to the warehouse operator:

- (a) cargo control number (including suffix on abstract cargo control documents);
- (b) car/trailer/container number;
- (c) number of pieces released; and
- (d) consignee name

82. In the case where the actual CBSA delivery authority copy of the cargo control document is transmitted by facsimile, the original of the document is not forwarded to the warehouse operator. In all other cases, the original CBSA delivery authority copy must be forwarded to the warehouse operator.

83. Sufferance warehouse operators may not release goods from their warehouse until they have received **one** of the following:

- (a) a stamped original, facsimile, or scanned CBSA delivery authority copy of the cargo control document; or
- (b) an RNS message received directly from the system as an RNS participant; or
- (c) an RNS message received through the intermediary of a dedicated service provider.

Note: Option (a) does not apply in situations where the importer/broker has used an EDI service option.

84. In those cases where more than one shipment is contained in the car, trailer or container, it is the warehouse operator’s responsibility to ensure that only the identified shipment is released or that the car, trailer or container is held until all its contents are released.

85. In the air and marine modes, if an ACI hold has been placed on a shipment, this hold supersedes the release of the goods. The goods cannot be released until the hold has been removed by the CBSA. For more information about ACI

holds and cargo release, please see Memorandum D3-2-2 (for air mode) and Memorandum D3-5-2 (for marine mode).

Outstanding Cargo Control Documents Tracing Procedures

86. The carrier's report to the CBSA is proof of the goods being on board the conveyance in the absence of evidence to the contrary, and all goods reported are deemed to have landed. The carrier is liable for duty and taxes payable on all goods reported, unless evidence that the goods did not enter Canadian commerce or consumption without the benefit of CBSA release is provided. In accordance with the *Reporting of Imported Goods Regulations*, payment or evidence should be provided to the CBSA within 70 days of the date of initial report.

87. Tracing procedures, which are based on proper risk-management principles, will be initiated by the CBSA against all outstanding cargo control documents that remain unacquitted 40 days from the date of initial report to the CBSA.

88. Before issuing a *CBSA Tracer*, Form A19, the CBSA will verify if the goods are on hand in a CBSA sufferance warehouse or other approved holding area. If the goods are found, the procedures for unclaimed goods, as detailed in the *Storage of Goods Regulations*, will be followed.

89. If the goods are not in the sufferance warehouse, a Form A19, will be issued to the carrier of record (i.e. the carrier whose carrier code appears on the outstanding cargo control document). A copy of the cargo control document will be attached to the Form A19 to enable the carrier to trace the shipment.

90. The A19 form allows the carrier 30 days to present the goods for examination, to present evidence that the goods did not enter Canadian commerce or consumption without the benefit of CBSA examination and release, to present evidence that the goods were exported, or that the liability for the in-bond shipment was transferred to another bonded carrier or to a sufferance warehouse operator.

91. Where satisfactory evidence can be provided to prove that the goods did not enter Canadian consumption without CBSA examination or release, the carrier will be exonerated of liability to pay duties and taxes. As a guideline, the following is representative of satisfactory evidence:

(a) The goods were released by the CBSA. A copy of the CBSA-stamped CBSA delivery authority copy of the cargo control document, a message generated by the RNS to the carrier or warehouse operator, a duty-paid final accounting document, Form B3, *Canada Customs Coding Form*, a stamped duty-paid copy of a Form B3-1, *Detailed Coding Statement (DCS)*, a Form K84, *Importer/Broker Account Statement*, or for CSA importers, a Revenue Summary Accounting (RSF) form with a completed Importer Payment Voucher (BSF645).

(b) The goods were not laden outside Canada. A written statement from the exporter, foreign port authority or other official with knowledge of the facts that the goods are located in a foreign country and have not been laden for movement to Canada.

(c) A shortage occurred outside Canada. Written evidence of payment of a claim by a foreign carrier to support the contention that the shortage occurred outside Canada, or a statement by a foreign customs or peace officer that the goods were lost or destroyed through an accident or other such contingency abroad.

(d) The goods were delivered into an approved CBSA sufferance warehouse. A receipt document signed by the sufferance warehouse operator.

(e) The goods were interlined in-bond by a post-audit carrier to a second bonded carrier for delivery to their destination. A copy of an acceptable interline document bearing the signature of the second carrier marked "in-bond". This refers only to those shipments where the cargo is transferred to the second carrier for delivery and the post-audit carrier's original cargo control document covers the movement to the final destination.

(f) The goods were transferred in-bond to another bonded carrier. A transfer document or a copy of the cargo control document bearing the signature of a representative of the transferee with the document marked "in-bond". This refers to those shipments, which are turned over to another carrier for remanifesting to their final destination.

(g) While still in-bond, the goods were exported from Canada. A copy of the cargo control document or electronic export report under which the goods were exported without leaving the carrier's system, or a copy of a United States Consumption Entry, or similar accounting document from a foreign government.

(h) The goods were destroyed after landing in Canada, before CBSA release. Evidence of destruction by accident, fire, etc., in the form of a report by police or fire officials, or remnants of the articles identifiable as the goods covered by the cargo control document.

92. If, on receipt of the Form A19, the carrier determines the load is within the carrier's system, the cargo is to be delivered immediately to the sufferance warehouse. The carrier must inform the consignee and the CBSA of the location of the goods.

93. The CBSA will allow the consignee two business days after notification by the carrier, warehouse operator, or importer/broker that an accounting document is required, to present an accounting document for the goods before issuing a Form E44, *Notice – Unclaimed Goods*, and transferring the goods into the Queen's Warehouse.

94. When a post-audit carrier submits acceptable evidence to the CBSA that the goods were interlined in-bond to a second bonded carrier for delivery to the destination on the original cargo control document, as outlined in paragraphs 65, 66 and 91(e) of this memorandum, the post-audit carrier will be absolved of liability for the goods. The secondary or receiving carrier will be issued a CBSA Tracer, accompanied by a copy of the cargo control document and a copy of the evidence, and will be held accountable for the goods.

95. If the post-audit carrier cannot provide acceptable evidence that the goods were interlined in-bond to a second bonded carrier, the original carrier retains responsibility for the cargo. Accordingly, in response to the CBSA Tracer, the post-audit carrier is responsible for contacting the delivering carrier for information on the outstanding shipment and for providing acceptable evidence to the CBSA of the legal disposition of the goods.

96. When a carrier submits acceptable evidence to the CBSA that the goods were transferred in-bond to another bonded carrier for remanifesting to another CBSA office, the original carrier will be absolved of liability for the goods. The receiving carrier will be issued a CBSA Tracer, accompanied by a copy of the cargo control document and a copy of the evidence of the transfer, and will be held accountable for the goods.

Note: Failure to respond to a CBSA Tracer within a 30-day time limit may result in the issuance of an AMPS penalty.

97. Where proof of legal disposition of the goods is not submitted to the CBSA within the 30-day time period of the CBSA Tracer, duties must be accounted for on Form B3 or Form K23, *Invoice*, depending on the party liable for the payment of duties.

98. Where the importer has received the goods, but the duty has not been accounted for (e.g. unlawful delivery or unlawful removal from a sufferance warehouse), the importer must be asked in writing to submit a voluntary entry on Form B3 within 30 days.

99. Where it is determined that the carrier or the warehouse operator is liable for the duties owing on the goods (e.g. lost or unaccounted in-bond goods or where the importer has failed to account for duties on goods unlawfully delivered or removed from a sufferance warehouse), a demand for payment of duties will be made on Form K23. Receipt of payment should be acknowledged on Form K21, *Cash Receipt*.

100. Form K23 allows the carrier 30 days from the date of issuance to remit payment. Failure to do so within this 30-day limit will result in a demand to the surety company for payment of the duties owed or the cashing in of other forms of security, as applicable. In addition, all in-bond privileges of the carrier may be withdrawn. Refund

claims on a paid K23 form will be considered if suitable evidence is presented to the CBSA within two years of payment.

101. In the case of outstanding import shipments covered by single-trip bonds, the CBSA office of destination will request a copy of the bond and bond application from the issuing office to facilitate tracing of the shipment or demands on the surety company.

102. The CBSA office of issuance will be responsible for tracing outstanding in-transit shipments covered by an *United States — Canada Transit Manifest*, Form A8B. An example of this form can be seen on the CBSA Web site under “Publications and Forms”.

Shipments Subject to the Requirements of Other Government Departments

103. Unacquitted cargo control documents, including unacquitted in-transit documents, may cover shipments which are subject to requirements of other government departments. These requirements must be considered when tracing action is being taken (refer to the appropriate memorandum in the D19 series).

104. The CBSA should also communicate information on unacquitted cargo control documents to other government departments for follow-up action, as required.

Penalty Information

105. For more information on administrative penalties, please refer to Memorandum D22-1-1. Information on AMPS penalties is also available on the CBSA Web site.

106. Other administrative sanctions, such as the revocation of program privileges and penalties of other government departments, may also be applicable.

107. In some situations, failure to comply with the CBSA requirements outlined in the *Customs Act*, may result in the seizure and forfeiture of the goods and/or conveyance, and in serious cases, criminal charges may be applicable.

Ordering Publications and Forms

108. You can order CBSA publications and forms in several ways:

(a) Online

An online order form will allow you to choose which forms and publications you want to order for delivery to your address. Ordering online is available on the CBSA Web site under “Publications and Forms”.

(b) By telephone

To order by phone from anywhere in Canada and the United States, call **1-800-959-2221**. If you're calling from outside Canada and the United States, call 204-983-3500 or 506-636-5064 (long distance charges apply). For TTY (Teletypewriter) service, call **1-800-665-0354** (Canada only)

(c) **Privately printed**

Specifications for privately printed cargo control documents A8A(B) are contained in Appendix C of this memorandum and the relevant bar code specifications are contained in Appendix D to this memorandum.

Additional Information

109. The CBSA's Border Information Service (BIS) line responds to public inquiries related to import requirements of other government departments, including Industry Canada. You can access BIS toll-free throughout Canada by calling **1-800-461-9999**. If you are calling from outside Canada, you can access BIS by calling 204-983-3500 or 506-636-5064 (long-distance charges will apply). To speak directly to an agent, please call during regular business hours from Monday to Friday (except holidays), 8 a.m. to 4 p.m. local time. More BIS information can be found on the CBSA's Web site.

110. Any correspondence related to this memorandum may be directed to:

Carrier and Cargo Programs
Commercial Border Policy Division
Admissibility Branch
Canada Border Services Agency
4th Floor, 150, Isabella Street
Ottawa ON K1A 0L8

Fax: 613-957-9717

111. For more information on carrier and cargo programs, visit the CBSA Web site.

APPENDIX A**GLOSSARY**

Abstracts – multiple cargo control documents presented to divide a shipment that was originally reported on one cargo control document, into two or more parts because the total manifested quantity will be accounted for on more than one release or accounting document.

Bulk Cargo – a homogeneous shipment of one commodity that is loose or in mass and generally must be shovelled, pumped, blown, scooped or forked in handling.

Cargo Container – a re-usable and identifiable container especially designed to facilitate the carriage of goods by one or more modes of transportation but does not include either a vehicle or conventional packing.

Carrier Code – a four-character unique identifier that is assigned by the CBSA to identify a carrier.

Consolidation – number of separate shipments grouped together by a consolidator or freight forwarder and shipped under one cargo control document.

Deconsolidation – that process whereby a consolidated shipment is divided into individual shipments consigned to various consignees.

Diversions – the rerouting of a shipment, before arrival at the destination CBSA office or sufferance warehouse indicated on the cargo control document, to a CBSA release point other than that shown on the cargo control document.

In-transit – the movement of foreign goods through Canadian territory from a point outside Canada to another foreign point, as well as Canadian goods moving from a point in Canada, through the United States to another point in Canada.

Overage – any excess in the actual number of pieces in a shipment against the quantity reported on the cargo control document.

Remanifest – a new cargo control document, with a new cargo control number, which is presented to change a cargo control document that had previously been submitted to the CBSA. Remanifests are generally presented to change the destination office or carrier code.

Shipper's Load and Count (SL&C) – cargo moving under a bill of lading where the carrier acts as a transport contractor without responsibility for loading or unloading.

Shortage – any deficiency in the actual number of pieces in a shipment against the quantity that the carrier reported to the CBSA on the cargo control document

Split-shipment – portions of one shipment covered by one cargo control document enter the country at different times.

APPENDIX B**CBSA CARGO CONTROL ABSTRACT, FORM A10, COMPLETION INSTRUCTIONS**

1. The following information must be shown on a CBSA Cargo Control Abstract.
2. **CBSA Office** – Indicate the CBSA office where the abstracts are presented. CBSA offices are listed in the Directory of CBSA Offices, available on the CBSA Web site under “CBSA Offices”.
3. **Consignee Name and Address** – Indicate the name and mailing address of the person or firm importing the goods.
4. **Shipper’s Name and Address** – Indicate the name and mailing address of the person or firm shipping the goods.
5. **Waybilled From or Point Loaded** – Indicate the city and country where goods were loaded on board a vessel, aircraft, vehicle or rail conveyance.
6. **Acquittal No.** – For CBSA use only.
7. **Carrier Code** – Indicate the carrier code as shown on the carrier's master cargo control document.
8. **Cargo Control No.** – Indicate the carrier's cargo control number as shown on the carrier's master cargo control document suffixed by the character X and an identifying numeric digit, e.g. 6107123X1, 6107123X2. Refer to paragraphs 47(b) of this memorandum for instructions on numbering abstracts when the master cargo number consists of 23 digits, and is to be abstracted into more than nine shipments.
9. **Carrier Code** – Indicate the carrier code as shown on the carrier's master cargo control document.
10. **Master Cargo Control No.** – Indicate the cargo control number as shown on the carrier's original cargo control document.
11. **Location of Goods** – Indicate the name, address and sub-location code of the sufferance warehouse where the goods are stored pending CBSA clearance. A list of sufferance warehouse sub-location codes is available on the CBSA Web site.
12. **No. of Pieces** – Indicate the quantity of goods being reported.

The following are different methods of reporting a shipment:

Description and Pieces

- 1 car load containing 75 cases of motor oil on three pallets
- 3 pallets containing 75 cases of motor oil
- 75 cases of motor oil on three pallets

If a number of goods are being reported, the number of pieces must be TOTALLED.

13. **Description and Marks** – Give an accurate, concise description of the goods in common trade terms.
14. **Weight** – Indicate the weight of the shipment in pounds or kilograms; weight must be TOTALLED.
15. **Name and Address of Deconsolidator/Broker/Importer** – Indicate the name and address of the deconsolidator, broker or importer issuing the CBSA cargo control abstracts or re-abstracts, whichever is applicable.

An example of this form can be seen on the CBSA Web site under “Publications and Forms”.

APPENDIX C

CARGO CONTROL DOCUMENT SPECIFICATIONS

1. The Cargo Control Document, which is described below, can be used by all modes of transportation to report goods being imported into or exported from Canada.
2. Privately printed cargo control documents must adhere to the format and specification instructions provided herein. No deviation from the established layout, as set out in the sample provided in this Appendix, will be permitted. Minor deviations may be permitted in the field specifications, provided they do not impede the processing of the document by the CBSA.
3. Agency approval is not required for the private printing of the cargo control document. However, a cargo control document that has been printed in a manner that impedes its expeditious processing by the CBSA will be rejected for reporting purposes. In such instances, the carrier will have to reprint the cargo control document so that it meets CBSA requirements.
4. The CBSA continually assesses forms and procedures with a view to instituting improvements. It is recommended, therefore, that carriers limit the printing of their cargo control documents to a supply sufficient to cover a period no longer than 12 months. This would preclude having surplus stock on hand in the event of revisions to the form.
5. The CBSA will assist carriers in ensuring that their privately printed cargo control documents meet CBSA requirements.

Assistance is available from:

Carrier and Cargo Programs
 Commercial Border Policy Division
 Admissibility Branch
 Canada Border Services Agency
 4th Floor, 150 Isabella Street
 Ottawa, ON K1A 0L8

Fax: 613-957-9717

6. The number of copies required to report goods to the CBSA varies, depending on the mode of transportation and the status, i.e. post-audit, non-bonded or bonded, of the carrier.

Post-audit Operations

7. Carriers operating under post-audit CBSA control must use a document combining the elements of an internal revenue bill and a CBSA cargo control document. For further information, refer to Memorandum D3-1-6, *Customs Post Audit Control System*.
8. The internal revenue bill/cargo control document must contain four copies in the following sequence for CBSA purposes:
 - (1) Mail copy
 - (2) Long Room copy
 - (3) Warehouse Operator's copy
 - (4) CBSA Delivery Authority copy
9. Where the internal revenue bill/cargo control document is used to remanifest in-bond cargo, an additional Station copy is to be included and placed immediately following the Mail copy.
10. Post-audit carriers must identify their status by pre-printing the words "Post Audit" directly above the acquittal number field.

Non-bonded and Bonded Operations

11. All carriers, except marine, who are not under the post-audit control system must use a five-part form with copies placed in the following sequence:
 - (1) Mail copy
 - (2) Station copy
 - (3) Long Room copy
 - (4) Warehouse Operator's copy
 - (5) CBSA Delivery Authority copy

12. A marine cargo control document, when used as the support documentation to the *General Declaration*, Form A6, must include five copies (three station copies) in the following sequence:

- (1) Station copy 1
- (2) Station copy 2
- (3) Station copy 3
- (4) Long Room copy
- (5) CBSA Delivery Authority copy

Cargo Control Numbers

13. The cargo control number will consist of the four-digit carrier code, followed by a unique carrier-assigned number. The cargo control number must not be duplicated for a three-year period, except for air mode cargo control numbers. Air mode cargo control numbers may be reused after one year. For additional information about air mode cargo control number reuse timeframes, please see Memorandum D3-2-2.

14. Post-audit carriers must pre-number their cargo control documents in accordance with their company's accounting practice.

15. Freight forwarders and highway carriers who have their cargo control documents privately printed are required to print the cargo control number in bar code format on all copies of the document set.

16. Bar code specifications for the cargo control number are contained in Appendix D of this memorandum. Bar code/human readable cargo control numbers must be approved by the CBSA before the printing of the cargo control document or labels.

Document Specifications

17. The cargo control document must be between 17 and 21.5 cm wide and between 14 and 28 cm long.

18. Carriers may print their own cargo control documents on laser printer without side stubs and tear-offs. The appropriate copy designation must be shown on each copy of the document set.

19. All CBSA copies of the cargo control document are to be white in colour.

20. The following must be printed on the bottom of the copies of the cargo control document:

- (1) Mail copy
- (2) Station copy (if required)
- (3) Long Room copy
- (4) Warehouse Operator's copy
- (5) CBSA Delivery Authority copy

21. The copy designators (that is, Mail copy, Station copy, Long Room copy, CBSA Delivery Authority copy, Warehouse Operator's copy) must be printed in Helvetica Regular (8 points).

CBSA Delivery Authority copy

22. A field for the CBSA release stamp must be provided on the CBSA Delivery Authority copy with the following wording screened 30 percent, TO BE STAMPED BY THE CBSA BEFORE GOODS CAN BE DELIVERED TO CONSIGNEE. The field for the release stamp is to be printed on the CBSA Delivery Authority copy only, in place of the free area provided on each of the other copies of the cargo control document. The size specifications of the field for the CBSA release stamp are the same as for the free area.

23. Where cargo is to be released at an inland CBSA office, "In-bond" must be stamped or pre-printed on each copy of the cargo control document.

24. The Company's Logo, Name and Address and the words "Post Audit" (to be printed by post-audit carriers only above the Acquittal No. field) are to be sized according to the space available on the document.

An example of this form can be seen on the CBSA Web site under "Publications and Forms".

APPENDIX D**BAR CODE SPECIFICATIONS FOR CARGO CONTROL NUMBERS****PART I****1. Bar Code Symbologies**

Clients can choose bar code symbology (a) or (b):

- (a) Standard Code 3 of 9 is defined in the AIM (Automatic Identification Manufacturers Inc.) Document USS-39 (USD-3). Clients cannot use optional Code 3 of 9 modulo 43 checksum. Code 3 of 9 bar code symbols may be printed with either a 2:1 or 3:1 wide-to-narrow-bar-width ratio, subject to meeting the requirements outlined in Part II.
- (b) Code 128 is defined in AIM Document USS-128 (USD-6). A modulo 103 checksum digit is a mandatory part of Code 128.

Note

For cargo control numbers longer than 18 characters, clients may not be able to use Code 3 of 9. The CBSA will not accept numbers longer than the maximum length of 4.5"/11.43 cm.

2. Width of Narrow Bar

The minimum width of a narrow bar must be 0.009"/0.023 cm.

The maximum width of a narrow bar depends on the bar code symbology selected, as follows:

- Code 3 of 9 (2:1 ratio) 0.016"/0.04 cm
- Code 3 of 9 (3:1 ratio) 0.012"/0.03 cm
- Code 128 0.016"/0.04 cm
- Code 128 (double density) 0.024"/0.06 cm

3. Width of Wide Bar

For Code 3 of 9, a wide bar must be no less than two and no more than three times that of a narrow bar, according to the narrow bar specifications in requirement 2.

There are four different bar widths for Code 128. These must be one, two, three and four times that of a narrow bar, where the maximum width of the narrow bar is as stated in requirement 2.

4. Length of Quiet Zones

Both the leading and the trailing quiet zones must be a minimum of either 10 times the narrow bar width or 0.125"/0.3 cm, whichever is greater. Longer quiet zones will increase the readability of the code.

5. Bar Code Symbol Height

The height of the bar code symbol must be between 0.375"/0.95 cm and 0.625"/1.60 cm.

6. Bar Code Symbol Length

The bar code symbol, including the leading and trailing quiet (blank) zones, as well as the human readability part, must be within the area stated at "Delimited Area" in Part II.

7. Human Readable Format

- (a) The human readable print number must always be below the bar code.
- (b) The height of the human readable print must be at least 0.0984"/0.25 cm.
- (c) The human readable number must start on the left side of the bar code, directly below the place where the bar code starts.
- (d) The spacing between the bar code and the human readable format and any following lines must be at least 0.03"/0.08 cm.
- (e) Carriers have the option of printing their carrier name. Participants in the Line Release program can also print the acronym "PARS" as stated in paragraph 2 of Part II. The printing must meet the requirements of the quiet zone and not interfere with the human readable number.

(f) The human readable number may include dashes and spaces, but is not to be read into the bar code except where the dash is part of the carrier code itself.

8. **Print Contrast Ratio**

The print contrast ratio is the ratio of the difference of reflectivity between the bars and spaces, as follows:

$$\text{PCR} = \text{Reflectance of spaces} - \text{Reflectance of bars} \div \text{Reflectance of spaces}$$

Where reflectance is defined as a percentage figure, the print contrast ratio must be a minimum of 55 percent, with an optimum value of 75 percent.

9. **Readability**

The average first-read rate for bar code symbols produced must be 95 percent (i.e. only five in 100 will need more than one scan). All bar codes produced through carbons must meet the same readability rate as the original.

10. **Lifetime**

The bar code symbol must be readable for at least eight months, with a 95 percent first-read rate.

11. **Print Type**

The bar code symbol can be printed with carbon or non-carbon ink.

12. **Label Size**

If labels are used, the maximum length and width of the label is stated at "Delimited Area" in Part II. There should be no wording above the bar code, and there should be 0.125"/0.3 cm between the top of the bar code and the edge of the label. The label must be self-adhesive, permanent and smudge-proof.

PART II

1. **Bar Code Symbol**

The bar code symbol should read only the digits found in the human readable number and should not read the dash or space except where the dash is part of the carrier code itself.

Bar code symbols can have up to 25 alphanumeric digits in one of the following formats:

(1) **XXXXXXXX.....X**

In this format, the first four digits are the carrier code. The remainder of the cargo control number follows the fourth digit and this portion of the cargo control number can be up to 21 digits.

(2) **XXX-XXXXXX.....X**

In this format, the first three digits and the hyphen (-) are the carrier code. The fourth digit is a hyphen (-), denoting an air carrier. The remainder of the cargo control number follows the hyphen, and this portion of the cargo control number can be up to 21 digits.

2. **PARS Shipments**

To identify a Pre-Arrival Release System (PARS) shipment submitted to the CBSA, labels must show the letters "PARS". The company's name or logo can also be included. See the examples below:

(a) The letters "PARS" may be part of the cargo control number, between the carrier code and the numeric sequence (e.g. 9999 PARS 0001). If so, the bar codes must also contain the bars for the letters "PARS":

Example:
ABC Carriers Ltd.
9999 PARS 000001

(b) If the bar codes do not contain the word "PARS", the word may be printed either:

Above the number

Example:

PARS – ABC Carriers Ltd.
9999 000001

Below the number

Example:

9999 000001
PARS – ABC Carriers Ltd.

Note – The CBSA prefers option 2.

3. **Delimited Area**

The delimited area on the A 8A(B) cargo control document must be no bigger than 5"/12.7 cm long by 1.5"/3.81 cm high. Also, the area cannot be bigger than the maximum label size.

4. **Numbering**

The method of numbering must ensure the numbers are not repeated for a period of three years.

5. **Testing**

Sample bar code/human-readable cargo control numbers must be tested to ensure they meet agency standards for readability.

Bar codes are reviewed for print-contrast ratio and readability, and tested using a CBSA terminal wand. In addition, the CBSA verifies the size of labels and human-readable cargo control numbers.

We will send a letter to the originator explaining the results of the bar code testing.

It is the responsibility of all companies, including printing companies, to get initial approval of their bar codes. The retesting of reprints of bar codes is not necessary, unless the process or material used to create the bar codes has changed.

Original bar-coded document samples or bar-coded labels should be submitted for approval to:

Electronic Commerce Unit (ECU)
Systems Operations Division
Major Projects and Systems
Commercial Directorate
Canada Border Services Agency
250 Tremblay Road
Ottawa ON K1A 0L8

Questions about bar-code testing should be directed to the ECU at the above address or by telephone at:

1-888-957-7224 calls within Canada and the United States
1-613-946-0762 for overseas callers between 8 a.m. and 5 p.m. (E.S.T.)
1-613-946-0763 for overseas callers between 5 p.m. and 8 a.m. (E.S.T.)

APPENDIX E

CARGO CONTROL DOCUMENT, FORM A8A(B) COMPLETION INSTRUCTIONS

The following outlines information to be shown on the cargo control document. For the data elements required on electronic ACI reports for the air and marine modes, please see Memorandum D3-2-2 (for air mode) and Memorandum D3-5-2 (for marine mode).

1. **U.S. Port of Exit** – Indicate the U.S. border crossing, both city/town and state, for all shipments invoiced from the United States. For goods invoiced from the United States that are entering Canada in the service of an air carrier, indicate the U.S. Customs and Border Protection (US CBP) port where the goods are loaded on the aircraft which is to carry the goods to Canada. For transborder air shipments that enter Canada in the service of a highway carrier, indicate the US CBP port at which or nearest to which the highway carrier crosses the border of the United States into Canada.

The U.S. port of exit codes listed in Appendix H, List 6, of Memorandum D17-1-10, *Coding of Customs Accounting Documents*, may be used in lieu of the city/town and state name.

2. **In-transit** – Indicate country of final destination.

3. **Manifest from** – Indicate the CBSA office where the goods are reported.

4. **To** – Indicate the CBSA office where the goods are to be released/destined. CBSA offices are listed in the Directory of CBSA Offices available on the CBSA Web site. Where the destination has more than one sufferance warehouse for the applicable mode of transport (for example, Toronto), the name of the receiving CBSA office must be followed by the name, abbreviation or code of the intended warehouse of clearance (for example, Toronto-498).

5. **Consignee Name and Address** – For imports: Indicate the name and address of the person (company) in Canada to whom the goods are being shipped. For In-transit and FROB shipments: Indicate the name and address of the person (company) that is the ultimate consignee.

6. **Shipper's Name and Address** – Indicate the name and address of the person or firm shipping the goods.

7. **Acquittal No.** – To be completed by importer/broker or the CBSA.

8. **Carrier Code/Cargo Control No.** – On privately printed cargo control documents, the carrier must assign the cargo control number, in accordance with the instructions outlined in the Appendix C of this memorandum.

9. **Carrier Code/Previous Cargo Control No.** – This field is to be completed on secondary cargo control documents, such as remanifests, abstracts, etc. Indicate the carrier code and cargo control number of the original cargo control document.

10. **No. of Packages** – Indicate the quantity of goods being reported.

The following are different methods of reporting a shipment:

No. of Pkgs.	Description and Marks
-------------------------	------------------------------

1	car load containing 75 cases of motor oil on three pallets
3	pallets containing 75 cases of motor oil
75	cases of motor oil on three pallets

If a number of goods are being reported, the number of packages must be TOTALLED.

11. **Description and Marks** – Give an accurate, concise description of the goods in common trade terms and note any marks imprinted on the package or goods. If the goods are loaded in a container, the container number must be indicated in this field.

When goods are carried under shipper's load and count contracts, mark "shipper's load and count" in this field.

Rail carriers must indicate the waybill numbers in this field, if a separate field for this information does not exist on their cargo control documents.

Estimated date and time of arrival information must be included on the CCD in either the "Description and Marks" field or the "Location of Goods" field. Any and all applicable container numbers must be included on the CCD in either the "Container Number" field (if one exists on the CCD) or in the "Description and Marks" field. Clients transmitting electronic EDI reports will be required to indicate this information in the fields assigned to these data elements, "Estimated date and time of arrival" and the "Container Number" fields.

12. **Weight** – Indicate the weight of the shipment in metric or imperial measure. The unit of measure must be noted and the weight must be TOTALLED.
13. **Foreign Point of Lading** – (To be completed by freight forwarders and marine carriers only) Indicate the city/town and country where the goods were loaded on board a vessel, aircraft, vehicle or rail conveyance.
14. **Location of Goods** – Indicate the name and address of the sufferance warehouse where goods are stored pending clearance. The name of the agent handling the load must also be shown in this field. In the case of commercial shipments, where the carrier, freight forwarder or agent are not one and the same as the sufferance warehouse, the warehouse sub-location code that has been assigned to the sufferance warehouse by the CBSA must be included. A listing of sufferance warehouse sub-location codes may be obtained by accessing the CBSA Web site, or by communicating with the CBSA Electronic Commerce Unit at the following:
- 1-888-957-7224 calls within Canada and the United States
1-613-946-0762 for overseas callers between 8 a.m. and 5 p.m. (E.S.T.)
1-613-946-0763 for overseas callers between 5 p.m. and 8 a.m. (E.S.T.).
15. **Name of Carrier** – Indicate the name of the carrier transporting the goods.
16. **Vehicle Identification** – Highway carriers must indicate the vehicle identification number (licence number, province or state, year and trailer number). Other modes of transportation must indicate aircraft registration numbers, rail car initials and numbers or vessel details in this field.

Any field requirements specific to only one mode of transportation may be excluded by carriers of other modes of transportation.

All carriers are obliged to include information on the cargo control document that will allow for the efficient tracing of CBSA documentation within their operations.

An example of this form can be seen on the CBSA Web site under “Publications and Forms”.

REFERENCES

<p>ISSUING OFFICE –</p> <p>Carrier and Cargo Programs Commercial Border Policy Division Border and Compliance Programs Directorate Admissibility Branch</p>	<p>HEADQUARTERS FILE –</p>
<p>LEGISLATIVE REFERENCES –</p> <p><i>Customs Act; Customs Tariff; Excise Act, 2001 Excise Tax Act; Explosives Act Importation of Intoxicating Liquors Act Special Import Measures Act</i></p>	<p>OTHER REFERENCES –</p> <p>D1-7-1, D3-1-3, D3-1-7, D3-1-8, D3-2-1, D3-2-2, D3-3-1, D3-4-2, D3-4-5, D3-5-2, D3-6-6, D3-6-7, D4-1-4, D4-3-5, D6-2-2, D8-2-16, D17-1-2, D17-3-1, D17-4-0, D18-3-1, D22-1-1</p>
<p>SUPERSEDED MEMORANDA “D” –</p> <p>D3-1-1, February 26, 2004</p>	

Services provided by the Canada Border Services Agency are available in both official languages.

