

## CSA or ACI eManifest?

### Deciding which program is right for you

The ultimate decision is yours to make... The following information briefly summarizes the advantages and disadvantages of both programs.

---

### CSA – Customs Self Assessment

Launched in 2001, CSA is the CBSA's streamlined, "platinum" program and the one that they endorse and fund vigorously. As of November 2010, there are 82 approved importers, representing 20% of the Value for Duty of all imported goods. Additionally, there are approximately 400 applications in various stages of the application process.

### CSA Benefits

- 3 – 30 second release times at land borders with 3 barcodes only.
- No ACI or eManifest data is required from the importer or trucker.
- 42 – 49 days to account for duties and taxes = Cash Flow Positive.
- Importers using CSA are considered a "Trusted Trader" (i.e., a company acknowledged as having a secure supply chain and qualified for the benefits of advance risk assessment).
- Shipments will have access to the four major FAST lanes provided that you have your PIP (Partners in Protection) and CSA certification, and your carriers/drivers are FAST approved.
- You will be able to apply for PIC (Partners in Compliance) = no AMPS will be applied.

### What you need to do

Complete the two part application (Part I – <http://www.taco.ca/CSA1-e646-eng.pdf> and Part II – <http://www.taco.ca/CSA2-e655-eng.pdf>). It will take anywhere from six months to two years to obtain final approval from the CBSA.

### Considerations

- Volume requirements – at least 2,000 shipments of U.S. origin\* annually; with no Other Government Department requirements (e.g., CFIA, DFAIT permits, etc).
- Utilization of only CSA approved carriers using CSA approved drivers.
- Demonstration to Customs that your commercial systems can detect importation when the goods are received and the ability to account for the shipment to Customs directly or transfer the information to a Customs broker in order for them to account for the goods on your behalf.

\*The CBSA is presently considering an offshore option (<http://www.taco.ca/tcb-bulletin-9-28-2010.html>) looking to resident importers to apply for the program. The Agency is also working with certain Other Government Departments to allow their product under CSA. Both of these developments would greatly expand the scope and facility of the CSA option for high-volume importers.

### Get more information

If you would like further information on whether your company should pursue this avenue of transacting business with Customs, call us today to set up a meeting to discuss the opportunities and challenges involved.

## ACI – Advance Customs Information (eManifest)

**Do you need to understand this major change? If you import by truck from the USA to Canada, the answer is yes.**

---

### eManifest

This new commercial system (<http://www.taco.ca/tcb-aci-6-2010.html>) will force carriers to transmit 24 data elements to CBSA at least 1 hour prior to arriving at the border. Today this is a paper process. Also the brokers will have to transmit all data for all lines for the shipment 1 hour prior to arrival at the border. Once CBSA receives the data sets from one or both they will issue a “Go or No Go” message for the driver to proceed to the border.

### Areas of Concern

Those shipments that are loaded less than 1 hour from the border and shipments with commodities exceeding 30 lines of tariff classification (multiple HS codes) could be problematic under the ACI/eManifest system.

### When is this happening?

As of October 31, 2010, CBSA information transmission options (EDI/electronic data interchange) now include an eManifest function. Testing labs for highway carriers have also been established to debug the system.

CBSA will offer an eManifest Portal transmission option beginning in early 2011.

Although EDI users can already transmit eManifest information, the 18 month implementation timeline for all highway carriers to transmit cargo and conveyance data won't begin until such time as the eManifest Portal becomes available (currently scheduled for early 2011).

### What should you do to avoid delays?

- Talk to your transportation providers to ensure that they are ready to transmit eManifest data. They should provide assurances that they can facilitate the timelines for sending CBSA the data.
- Work with your vendors and Thompson, Ahern to make sure that your product information is up to date and in our system. Communicate with us when you add new vendors in the US as well as new products information. If you have vendors shipping multiple SKUs we can work with them to implement EDI solutions for their shipment data. We are fully capable of handling multiple EDI files in various formats.

### Thompson Ahern's eManifest Trade Solutions

We have the operating system to handle CSA and it has been approved by CBSA. Modules that have been approved are shown on the CBSA website at <http://www.cbsa-asfc.gc.ca/eservices/sp-fs/service-eng.html#highwayrouter>. Thompson, Ahern will have the ability to prepare and provide eManifest solutions.

## Our recommendations

**Some importers may conclude there is a compelling ROI case for participating in CSA, whereas others will find it more economical to simply adjust to the realities of ACI...**

While the various supply chain benefits of CSA can be substantial – on balance making it the preferred release option for the long term in our estimation – the program is not necessarily a good fit for every company. Applying and qualifying for CSA will require buy-in from senior management to facilitate the investments in technology and possible re-engineering of your internal systems and organizational processes that may be needed to make the system work effectively.

In view of the lengthy timeframes associated with these programs, we recommend that you:

- 1) Make a preliminary determination regarding the suitability of CSA to your organization and conduct a feasibility study taking into account its implications throughout the organization.
- 2) If you determine that the program isn't presently feasible for your company, begin development of an ACI response strategy to ensure that your processes are capable of optimizing the system and avoiding clearance delays at the border.

## We're here to help you

Whatever choice you make, Thompson Ahern is available to assist you with any inquiries you may have about CSA or the ACI/eManifest release option and how these programs relate to your imports at the border, so don't hesitate to talk to us. Our service representatives would be pleased to discuss these programs in more detail with you and help ensure that your company is adequately prepared.

---

## Stay informed about new developments

You can trust us to keep your organization current with all of these major changes in the Customs clearance process that are being implemented by the CBSA. Due to our active participation on all the major Trade Associations, including sitting on committees, we are up to date on the latest information on all of the impending trade changes which could have an impact on your cross-border activity. You can stay informed about new developments by following our daily eNews (<http://thompsonahern.blogspot.com/>), subscribing to our free monthly newsletter (<http://www.taco.ca/tcb-mailinglist.html>), or by checking out relevant information (<http://www.taco.ca/tcb-aci1.html>) on our website.