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PBB GLOBAL LOGISTICS - FACT SHEET

Customs Self Assessment

Key Facts & Figures

Implementation Date:
December 2001

Prerequisite Programs:
Partners in Protection (PIP)

Approved Participants:
19 importers (As of January 2005)
1,406 carriers (As of January 2005)

Further Information:
<http://www.cbsa-asfc.gc.ca/import/csa/>

Overview

Customs Self Assessment (CSA) is a program implemented by Canada Border Services Agency (CBSA) offering importers simplified customs clearance as well as streamlined accounting and payment processes.

When a shipment arrives at the border, the driver simply shows three barcodes: one for the importer, one for the carrier and one for the driver. No customs invoice is involved.

Benefits

Although qualifying for CSA can be a serious undertaking, the benefits of the program are substantial:

1. Supply chain efficiency

In addition to expedited customs clearance, CSA importers have access to the Free And Secure Trade (FAST) program. By partnering with FAST-registered carriers and drivers, the importer has the potential to reduce border delays at participating ports of entry, thereby increasing certainty in their supply chain. This may also reduce the likelihood of incurring carrier security surcharges charged to non-FAST importers.

2. The only alternative to ACI

FAST-approved CSA participants are exempt from the advance electronic notification requirements of Advance Commercial Information (ACI), which is scheduled for implementation with truck-bound shipments in 2006. When in place, ACI will require all shipments transported by truck to be reported to Customs one hour prior to arrival at the border.

3. Improving compliance and avoiding AMPS penalties

Periodic reporting under CSA gives the importer time to ensure that all imported goods are proactively classified and trade databases are accurate, thus avoiding penalties under the Administrative Monetary Penalty System (AMPS).

4. Streamlined accounting

CSA offers valuable benefits from an accounting and cash flow perspective, with the added stability of regular periodic remittances of duties and taxes, improved bookkeeping accuracy and increased administrative efficiencies.

PBB FACT SHEET

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Date: April 2005





Customs Self Assessment (CONTINUED)

Should you apply?

Some importers may determine there is a strong ROI case for participating in CSA, whereas others will find it more logical to simply adjust to the realities of ACI. Consulting with customs and trade professionals can be an important first step in assessing the feasibility for your business.

Qualifying for CSA

Only businesses and carriers known to Customs, with a track record free of major commercial infractions, will qualify for the program. The importer and carrier must also confirm that their books and records provide appropriate audit trails and linkages. Furthermore, businesses and carriers must be capable of operating in a “paperless” environment – through electronic platforms.

Currently only shipments imported from the U.S. (that have not been transshipped) are eligible for CSA.

The application process

To become CSA approved, importers must pass a three-step application process:

Part I: A risk assessment of the applicant based on established CBSA criteria.

Part II: A review of the applicant’s business systems to ascertain that they will capture and provide CBSA with accurate trade data on imported goods.

Part III: The applicant signs a “Client Undertaking” document outlining the terms and conditions of the CSA program.

How PBB can help your business

PBB Global Logistics provides expert assistance throughout the application process and can help manage all stages of a company’s requirements under CSA, including:

- **Business Systems Review:** a comprehensive analysis of current internal business systems and procedures, followed by an implementation plan to meet CSA requirements. The review also proactively prepares importers for a Multi Program Verification (MPV) conducted by CBSA.
- **Application Process:** PBB’s dedicated CSA team can guide importers through the application process.
- **Compliance Management Services:** Once CSA-approved, PBB can assist in ensuring that all data entered into the importer’s systems is accurate and compliant.
- **CSA Maintenance:** PBB’s specialists review a company’s CSA processes on a weekly basis, to ensure ongoing compliance and connectivity between business systems.
- **CSA Computer Support:** Continuous IT support to ensure that electronic communication between the importer and CBSA is fully operational.