

## **Glossary of Terms**

### **ACI – Advance Commercial Information**

A program that provides Canada Border Services Agency (CBSA) officers with electronic pre-arrival cargo information so that they are equipped with the right information at the right time to identify health, safety and security threats related to commercial goods before the goods arrive in Canada.

### **API – Application Programming Interface**

An application programming interface (API) is a computing interface which defines interactions between multiple software intermediaries. It defines the kinds of calls or requests that can be made, how to make them, the data formats that should be used, the conventions to follow, etc. It can also provide extension mechanisms so that users can extend existing functionality in various ways and to varying degrees.

### **AR – Advance Ruling**

The CBSA publishes advance rulings to help the importing community determine the proper tariff classification of goods. These rulings provide information on the importation of particular goods, including their 10-digit tariff classification and ensures that the tariff classification number used is deemed correct by the CBSA. The ruling is binding until it is revoked or amended.

### **ARL - Accounts Receivable Ledger**

The Accounts Receivable Ledger (ARL), which was implemented in 2016, is the official system of record for commercial accounting and payment at the Canada Border Services Agency (CBSA). It is the first phase of the CBSA Assessment and Revenue Management (CARM) project to modernize commercial payments.

### **ASEC – Account Security Number**

Today, the ASEC is a 5-digit number assigned to Importers and Customs Brokers who post Release Prior to Payment (RPP) financial security with the CBSA and is used to facilitate Release on Minimum Documentation (RMD). The ASEC forms the first five digits of the Transaction Control Number, and is used to identify the bond holder securing the shipment when released on minimum documentation. As of CARM Release 2, the ASEC is no longer linked to RPP privileges and would exclusively note the Customs Broker or Importer clearing the shipment / obtaining Release on Minimum Documentation.

### **BAM – Business Account Manager**

The Business Account Manager (BAM) is the primary CCP user with complete administrative access and functionality who registers and sets up the business account on the CCP, requests and establishes access to client accounts, and delegates access to all other subsequent CCP users.

### **BN – Business Number (BN9)**

The legally registered 9-digit Business number assigned by the Canada Revenue Agency (CRA). The BN identifies the Trade Chain Partner responsible for the payment of duty and taxes, as well as any outstanding penalties.

## **BN15**

The legally registered 15-digit import/export business number assigned by the Canada Revenue Agency (CRA), also known as the RM account.

### **CAD – Commercial Accounting Declaration**

The CAD is a digital document which will replace the existing B3 Declaration and B2 Adjustment documents. The CAD will provide a single document to submit accounting information to the CBSA which will use version management to allow for changes while maintaining the history of the document and eliminating the requirement to account for changes on separate documents types and create a single accounting declaration of record.

### **CARM – CBSA Assessment and Revenue Management**

The CARM project is a multi-year initiative to transform the collection of duties and taxes for goods imported into Canada. CARM targets the revenue and cash management systems currently in place, and replaces them with a simplified process, including electronic payment options. Release 1 of CARM will be implemented in May 2021.

### **CBSS – Customs Broker Summary Statement**

With the implementation of CARM, the Customs Broker Summary Statement will replace the Customs Broker SOA and include accounting summaries for all importers (by BN15) for which the Customs Broker has submitted import declarations. The summary statement will provide a summarized view (count and amount) of import declarations and payment transactions per importer BN15 made in the billing period.

### **CCP – CARM Client Portal, also known as the portal**

The CARM Client Portal (CCP) is the central feature of the CARM project which, once fully functional, will become the main communications interface between the CBSA and trade chain partners. Through the portal, users will have online self-service access to manage their customs transactions, including electronic submission of corrections and adjustments, applying for classification rulings, accounting and payment of any applicable duties, taxes and fees on their imported goods, as well as access to a duty and tax calculator and HS classification tool.

### **CLVS – Courier Low Value Shipments**

The CLVS Program is an express/expedited program designed for the clearance of express shipments. ... Couriers authorized by the Canada Border Services Agency (CBSA) to participate in the program may have qualifying goods released by presenting a cargo/release list to the CBSA.

### **CSA – Customs Self-Assessment**

Customs Self-Assessment (CSA) is a Canada Border Services Agency (CBSA) trusted trader program designed to streamline the import process for authorized low-risk importers who have the systems capability to self-assess the accounting for imported goods to the CBSA, revenue reporting and the payment of duties and taxes.

### **CTC – Continuous Transmission Commodities**



Continuous Transmission Commodities (CTC) describes electricity, crude oil, natural gas, and other tangible personal property transportable by wire, pipeline or conduit.

### **Delegation of Authority**

Delegation of Authority refers to approved CCP access to business and program accounts. Business Account Managers have the responsibility for delegating access to employees as well as requesting delegated access to client business and accounts.

### **DN – Daily Notice**

Daily Notices (DN) combine multiple transaction types into one statement, enabling account-level management and reconciliation, and helps to manage payment due dates. Daily Notices contain information about payments made, interest owing, credits on account and disbursements issued. DN are issued at the business number (BN9) level.

### **ECCRD – Electronic Commerce Client Requirements Document**

The ECCRD is a CBSA document which provides comprehensive information about business and system requirements of various new and amended electronic transactions. When a CBSA program is either added or modified, an ECCRD is issued by the CBSA mapping the electronic details of the program.

### **EDI – Electronic Data interchange**

Electronic Data Interchange (EDI) is a standardized way of electronically exchanging information between and within businesses, organizations, government entities and other groups. These standards specify the formats, character sets, and data elements used in the exchange of business documents and forms.

### **Editor**

Editors are able to create, view and edit all transaction information on the CCP within an RM program account for either their employer's or importer client RM accounts.

### **Expired User**

A CCP user defaults to Expired status if the business relationship in the portal between the importer and customs broker is terminated.

### **Financial Security**

Financial security is a key area of change impacted by the implementation of CARM Release 2 at which time the CBSA will require all importers who want to participate in the RPP program to enroll and post security with the CBSA. Security may be posted in the form of a cash bond, a (continual) surety bond, or a one-time single entry bond.

### **Financial Statements**

Includes Daily Notice, Statement of Account, and Customs Broker Summary Statement

### **HVS – High Value Shipments**



High Value Shipment (HVS) describes commercial goods with a value for duty exceeding \$3,300 CAD

### **Importer**

An individual or business that imports commercial goods into Canada. The importer is responsible for the payment of all duties and taxes to the CBSA; the accuracy of the information presented to the CBSA; payment of any fines or penalties resulting from missing or inaccurate information; and for providing any necessary import permits and special certificates required.

### **IT – Information Technology**

Information Technology (IT) refers to anything related to computing technology, such as networking, hardware, software, the Internet, or the people that work with these technologies.

### **LVS – Low Value Shipment**

Low Value Shipment (LVS) describes commercial goods with a value for duty below \$3,300 CAD

### **NCR – National Customs Ruling**

A National Customs Ruling (NCR) is a written statement by the CBSA, outlining how provisions of existing customs legislation apply to goods imported into Canada. An NCR will provide instruction concerning the CBSA's origin (Most-Favored Nation Tariff or non-Free Trade Agreement (FTA) Preferential Tariff Treatment), valuation, or marking programs. NCRs are provided as an administrative service for the convenience and guidance of importers, foreign exporters, and foreign producers.

### **Nudge**

An alert issued by the CBSA on the portal when there is an issue to be addressed in regards to the financial security status for the account.

### **Orphan User**

An Orphan User has registered on the CCP and created their personal profile, but has not yet been accepted or linked to the business or program account.

### **PAD – Pre-Authorized Debit**

Pre-authorized debits (PADs) are a convenient way to pay bills and make other payments automatically. Instead of sending a payment, the funds are automatically withdrawn from your bank account with your prior authorized consent.

### **PAM – Program Account Manager**

The Program Account Manager (PAM) has the ability to modify program registration information, grant access to employees as either Editors or Readers, and create, view and edit all the transaction information within a program.

### **POE – Point of Entry**

A seaport, airport or land border crossing where people and merchandise can enter or leave Canada.

## **R1 – Release 1**

CARM Release 1 will provide businesses with new tools to allow them to see their amounts owing and manage their accounts with the CBSA. It will include an online CARM Client Portal with self-service tools for invoicing and payments. If you are an importer or broker that currently interacts with the CBSA, plan to create your secure account in the CARM Client Portal so you can take advantage of these tools and be ready for future releases. The release date for Release 1 is planned for May 2021.

## **R2 – Release 2**

CARM Release 2 will introduce a new electronic commercial accounting declaration that will replace the current customs coding form (B3) and request for adjustment form (B2). As well, new features to the payment and billing processes will make it easier to make corrections and adjustments. CBSA will continue to offer the Release Prior to Payment Program (RPP). However, changes are being made so that importers will have to secure their commercial imports directly. The release date for Release 2 is planned for May 2022.

## **Reader**

Readers are able to view all transaction information on the CCP within an RM program account for either their employer's or importer client RM accounts, but are unable to create or edit information.

## **Release Notice**

The Release Notice informs clients when goods have been authorized to be removed from a CBSA office, sufferance warehouse, bonded warehouse, or duty-free shop for use within Canada.

## **SCR – Same Condition Rulings**

CUSMA allows full drawback or deferral of customs duties on goods exported in the same condition in which they were imported. Imported goods may undergo certain operations in Canada and still be considered to be exported in the same condition.

## **SOA – Statement of Account**

SOAs will be issued to all TCPs who have incurred a financial transaction with the CBSA on their own account (BN15). SOAs will include a summary of the transactions posted on the TCP's client account in CARM and for which the Account Holder is liable to make payments

## **TCCU – Technical Commercial Client Unit**

The Technical Commercial Client Unit (TCCU) at the CBSA is your primary point of contact for most issues involving the transmission of commercial electronic data.

## **TCP – Trade Chain Partner**

Trade Chain Partner (TCP) is an enterprise that is directly involved in the importation or cross-border movement of goods imported.

## **Version**



With the introduction of the CAD, corrections and adjustments will be recorded as new versions of the original CAD, where the transaction number submitted on the original CAD remains for life, no matter how many versions are created. All previous versions of the CAD are recorded in the transaction history for audit purposes.

**VFD – Value for Duty**

The value for duty is the base figure on which duty you may owe on your goods is calculated. Even if you do not owe duty, the value for duty of goods must still be established so that any applicable assessment of the goods and services tax, provincial sales tax or harmonized sales tax, may be calculated, if applicable.