



Ottawa, February 26, 2004

# MEMORANDUM D3-1-1

---

## In Brief

### REGULATIONS RESPECTING THE IMPORTATION, TRANSPORTATION AND EXPORTATION OF GOODS

The Appendix H of Memorandum D3-1-1, has been revised to reflect the following changes:

1. The format of the 7000 series for non-bonded highway carrier codes has been modified to allow a dash as a character. 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.
2. The bar code symbol "2ITN" for itinerant carriers in highway mode has been replaced by the carrier code "77YY".
3. Elimination of "9ITN" itinerant carrier code in marine mode.
4. The retesting of reprints of bar codes is not necessary unless the process or material used to create the bar codes has changed.



Printed in Canada

MEMORANDUM

Ottawa, May 17, 1994

SUBJECT

REGULATIONS RESPECTING THE IMPORTATION, TRANSPORTATION AND  
EXPORTATION OF GOODS

This Memorandum outlines and explains general Customs requirements and administrative policies regarding the reporting and transportation of goods being imported into and exported from Canada by all modes of transport.

TABLE OF CONTENTS	Page
Regulations	
Reporting of Imported Goods Regulations	
Transportation of Goods Regulations	
Reporting of Exported Goods Regulations	
Guidelines and General Information	
Introduction	
Bond Requirements	
General Authorizations	
Single Trip Authorizations	
Carrier Identification	
Sealing Requirements	
Cargo Reporting	
Corrected and Rewritten Cargo Control Documents	
Shortages	
Overages	
Shipper's Load and Count	
Customs Cargo Control Abstract	
Remanifest Cargo Control Documents	
Diversions	
Interline Transfers	
Delivery Requirements Exemptions	
Transfers Between Customs Release Points	
Notification of Release of Goods to Warehouse Operators	
Outstanding Cargo Control Documents Tracing Procedures	
Shipments Subject to the Requirements of Other Government Departments	
Penalty Information	
Additional Information	
Appendix A	Glossary of Terms
Appendix B	Instructions for the Completion of the Application to Transact Bonded Carrier and Forwarding Operations, Form E 370
Appendix C	Specimen Bond

Appendix D	Customs Cargo Control Abstract, Form A 10, Completion Instructions
Appendix E	Customs Diversion Notice, Form A 30
Appendix F	Customs Tracer, Form A 19
Appendix G	Cargo Control Document Specifications
Appendix H	Bar Code Specifications for Cargo Control Numbers
Appendix I	Cargo Control Document Completion Instructions

## Regulations

### REGULATIONS RESPECTING THE REPORTING OF IMPORTED GOODS

#### Short Title

1. These Regulations may be cited as the Reporting of Imported Goods Regulations.

#### Interpretation

2. In these Regulations,

"Act" means the Customs Act; (Loi)

"cargo container" means a reusable cargo container having a length of at least 6.1 metres and an internal capacity of at least 14 cubic metres; (conteneur)

"chief officer of customs", with respect to an area or place, means the manager of the customs office or customs offices that serve that area or place; (agent en chef des douanes)

"designated customs office" means a place designated under section 5 of the Act as a customs office where goods may be reported under section 12 of the Act; (bureau de douane établi)

"designated holding area" means a room or other area designated by the Deputy Minister for the use of persons arriving in Canada who are in transit to another place in Canada or to a place outside Canada; (zone d'attente désignée)

"international commercial transportation" means

- (a) any transportation resulting in, or intended to result in, the carriage of persons or goods for hire or reward, or
- (b) any transportation of persons or goods by or on behalf of an enterprise engaged in an activity of financial return, where the persons or goods are conveyed
- (c) from a place outside Canada to a place inside Canada,
- (d) from a place inside Canada to a place outside Canada, or
- (e) from a place outside Canada in transit through Canada to a place outside Canada; (transport commercial international)

"vessel" means

- (a) any ship, vessel, dredge, scow, yacht, boat or other water-borne craft,
- (b) any floating submersible or semi-submersible structure such as a dock, caisson, pontoon, coffer-dam, production platform, drilling ship, drilling barge, drilling rig, jack-up drilling ship, jack-up drilling platform or other drilling platform, and
- (c) any combination of any water-borne craft, floating submersible or semi-submersible structure whether or not self-propelled, assembled or unassembled. (bateau)

#### Reporting of Goods

3. Except as otherwise provided in these Regulations, all goods that are imported shall be reported under section 12 of the Act forthwith in writing at the nearest designated customs office that is open for business.

#### Mail

4. Revoked by Order in Council P.C. 1992-1428 of June 24, 1992.

## Manner of Reporting

5. (1) Subject to subsections (2) and (3), the following goods may be reported orally unless an officer requires the importer of the goods to report the goods in writing:

(a) goods in the actual possession of a person arriving in Canada, or that form part of his baggage where the person and his baggage are being carried on board the same conveyance;

(b) subject to paragraph (c), foreign based conveyances engaged in international commercial transportation other than

(i) railway rolling stock and locomotives, and

(ii) vessels;

(c) foreign based cargo containers engaged in international commercial transportation that are imported

(i) under the control of a person who maintains an inventory of the containers that are used in international commercial transportation where the person

(A) keeps records of all containers imported into Canada that would enable a customs officer to verify that the containers were not used in Canadian domestic service or that, if they were used in Canadian domestic service, all applicable duties thereon were paid, and

(B) permits the customs officer access to the records of the containers referred to in clause (A), or

(ii) by a person who leases containers for use in international commercial transportation where the person

(A) keeps records of all containers imported into Canada that would enable a customs officer to verify that the containers were not used in Canadian domestic service or that, if they were used in Canadian domestic service, all applicable duties thereon were paid, and

(B) permits the customs officer access to the records of the containers referred to in clause (A); and

(d) Canadian-based highway vehicles, aircraft and cargo containers that are built in Canada or duties paid and qualify for entry at free rates of customs into Canada as Canadian goods returned under the provisions of tariff item No. 9813.00.00 or 9814.00.00 of the Customs Tariff.

(2) Goods classified under item 9804.20.00 of the Customs Tariff shall be reported in writing.

(3) Goods that are imported by a person arriving in Canada on board a commercial passenger conveyance other than a bus shall be reported in writing.

## Exceptions to Reporting at the Nearest Customs Office

6. Goods transported by an air transportation company that is authorized to transport the goods within Canada under the Transportation of Goods Regulations may be reported at the customs office for the airport of destination shown on the air waybill, on condition that the air transportation company:

(a) keeps records on all imported goods that are transported by it into Canada sufficient to enable an officer to verify that the goods were reported and that all duties payable thereon were paid or, if the duties were not paid, to verify that the goods were destroyed, lost, received, exported or released as set out in paragraph 18(2)(a), (c), (d), (e) or (f) of the Act, as the case may be;

(b) keeps records on all goods that are reported by it but that are not imported sufficient to enable an officer to verify that the goods were lost or destroyed or did not leave the place outside Canada from which they were to have been exported as set out in paragraph 18(2)(a) or (b) of the Act, as the case may be; and

(c) where an officer so requests, makes the records referred to in paragraphs (a) and (b) available to the officer for inspection.

7. (1) Goods in the actual possession of a person arriving in Canada aboard a commercial passenger conveyance who has as his destination a place outside Canada, and any goods being carried on board the same conveyance and forming part of his baggage, do not have to be reported, on condition that

(a) the person does not disembark from the conveyance in Canada and the goods are not removed from the conveyance in Canada other than to be transferred under customs control directly to another commercial passenger conveyance for departure to a place outside Canada or directly to a designated holding area; and

(b) where the person and goods are transferred under customs control directly to a designated holding area, the person does not leave and the goods are not removed from that designated holding area other than to board or to be loaded on board a commercial passenger conveyance for departure to a place outside Canada.

(2) Goods in the actual possession of a person arriving in Canada aboard a commercial passenger conveyance who has as his destination another place in Canada at which there is a designated customs office, and any goods being carried on board the same conveyance and forming part of his baggage, may be reported at that designated customs office on condition that

(a) the person does not disembark from the conveyance at the place of arrival in Canada and the goods are not removed from the conveyance at the place of arrival in Canada other than to be transferred under customs control directly to another commercial passenger conveyance for departure to that other place in Canada or directly to a designated holding area; and

(b) where the person and goods are transferred under customs control directly to a designated holding area, the person does not leave and the goods are not removed from that designated holding area other than to board or to be loaded on board a commercial passenger conveyance for departure to that other place in Canada.

#### Periodic Reporting

8. Canadian built commercial fishing vessels and duty paid fishing vessels that are registered or licensed under the Canada Shipping Act and that are imported during a fishing season may be reported at the close of that fishing season on condition that the vessels do not, after last having been reported under section 9 of the Reporting of Exported Goods Regulations:

(a) take on ships stores other than diesel fuel;

(b) land in a country other than Canada; or

(c) pick up goods that are not the product of Canada and that have not been reported under section 12 of the Act.

9. Vessels used on a day solely or principally to transport vehicles or passengers across international waters may be reported on that day after the last trip by that craft.

10. Goods transported by an air transportation company referred to in section 6 that has more than two flights a day coming into Canada from a place outside Canada and arriving at an airport in Canada where there is a designated customs office may be reported at that designated customs office at any time during the day of their arrival in Canada on condition that the air transportation company reports twice daily to an officer at that designated customs office on the imported goods that it has carried to that airport on that day.

11. (1) Goods imported by means of a pipeline used by one importer only during any period commencing on the 20th day of one month and ending on the 19th day of the month next following may be reported on or before the last day of that month.

(2) Goods that are part of a shipment of goods imported by means of a pipeline used by more than one importer may be reported forthwith on arrival of the whole shipment.

#### Report of Goods Unloaded Prior to Report

12. Where a conveyance is unloaded in circumstances described in subsection 14(1) of the Act, the person in charge of the conveyance may first report the conveyance and the goods described in subsection 14(2) of the Act by telephone or other expedient means, and shall as soon as possible thereafter make a written report as prescribed by section 3.

#### Advance Notice of Arrival

13. The owner or person in charge of any aircraft, vessel or railroad train that is intended to be used to transport 30 or more persons to Canada on other than a regular schedule or pre-determined charter schedule shall give to the chief officer of customs at the proposed place of arrival in Canada, at least 72 hours prior to the arrival, notice in writing of the proposed time and place of arrival in Canada.

#### Liability for Duties on Goods Reported

14. For the purposes of subsection 18(2) of the Act, proof that duties have been paid or of any of the events described in paragraphs (a) to (f) thereof shall be given in writing to an officer within 70 days after the date on which the duties are claimed to have been paid or the events are claimed to have happened.

## REGULATIONS RESPECTING THE TRANSPORTATION OF GOODS

### Short Title

1. These Regulations may be cited as the Transportation of Goods Regulations.

### Interpretation

2. In these Regulations,

"Act" means the Customs Act; (Loi)

"chief officer of customs", with respect to an area or place, means the manager of the customs office or customs offices that serve that area or place. (agent en chef des douanes)

### Conditions Under Which Goods May Be Transported

3. (1) Subject to subsection (3), no person shall transport or cause to be transported within Canada goods that have been imported but have not been released unless

(a) the person submits an application in prescribed form for permission to transport the goods to the chief officer of customs for the area or place in which the transportation of the goods is to begin or, where the person proposes to transport such goods or cause such goods to be transported on a regular basis, to the Deputy Minister;

(b) the person deposits the security required by subsection 6(1) with the chief officer of customs or the Deputy Minister, as the case may be;

(c) the person receives permission to transport the goods from the chief officer of customs or the Deputy Minister, as the case may be;

(d) the person presents a description of the goods in the prescribed form to an officer; and

(e) the conveyance or container or part thereof that contains the goods is sealed with a seal issued or approved by the Deputy Minister except where

(i) the conveyance or container or part thereof is of a nature or size that precludes the sealing thereof,

(ii) the goods are live animals, or

(iii) the person has been authorized by an officer to transport the goods or caused them to be transported in an unsealed conveyance or container.

(2) Every person who transports or causes to be transported within Canada goods that have been imported but have not been released shall notify the consignee in prescribed form of the arrival of the goods.

(3) Subsection (1) does not apply to the transportation of goods within Canada prior to the time the goods are required to be reported under section 12 of the Act and under the Reporting of Imported Goods Regulations made pursuant thereto.

4. (1) If, as the result of an accident or other unforeseen event occurring in the course of transporting goods,

(a) a seal is damaged or broken,

(b) a container or conveyance is damaged or disabled and to preserve the goods they must be removed therefrom, or

(c) a conveyance is damaged or disabled and can no longer be used to transport the goods, the person transporting the goods shall forthwith report the accident or event as the case may be, to the chief officer of customs for the area or place in which the accident or event occurred or the damage, break or disablement was discovered or to the nearest detachment of the Royal Canadian Mounted Police.

(2) In any case described in paragraph (1)(b) or (c), the goods being transported shall not be transferred to another conveyance or container unless

(a) the person who transports the transferred goods or who causes those goods to be transported complies with the requirements of these Regulations; and

(b) in the case of goods transferred from a conveyance or container that is sealed,

- (i) the transfer is conducted in the presence of an officer or a police officer who has been requested by the chief officer of customs to supervise the transfer, and
- (ii) the conveyance or container to which the goods are transferred is sealed with a seal issued or approved by the Deputy Minister.

#### Liability of Transporter for Duties

5. For the purposes of subsection 20(2) of the Act, proof of any of the events described in paragraphs (a) to (e) thereof shall be given in writing to an officer within 70 days of the day on which the goods were reported pursuant to section 12 of the Act or the events are claimed to have happened.

#### Security

6. (1) Every person who transports or causes to be transported within Canada goods that have been imported but have not been released shall give security to secure his compliance with the requirements of the Act and the regulations respecting the transportation of the goods.

(2) The security given under subsection (1) shall be in the form of

(a) cash;

(b) a certified cheque;

(c) a transferable bond issued by the Government of Canada; or

(d) a bond issued by

(i) a company that is registered and holds a certificate of registry to carry on the fidelity or surety class of insurance business and that is approved by the President of the Treasury Board as a company whose bonds may be accepted by the Government of Canada;

(ii) a member of the Canadian Payments Association referred to in section 4 of the Canadian Payments Association Act,

(iii) a corporation that accepts deposits insured by the Canada Deposit Insurance Corporation or the Régie de l'assurance-dépôts du Québec to the maximum permitted by the statutes under which those institutions were established,

(iv) a credit union as defined in paragraph 137(6)(b) of the Income Tax Act, or

(v) a corporation that accepts deposits from the public, if repayment of the deposits is guaranteed by Her Majesty in right of a province.

(3) Subject to subsection (4), the security referred to in subsection (1) shall be in an amount equal to the greater of

(a) the duties payable in respect of the goods; and

(b) \$1,000.

(4) Where goods are to be transported or caused to be transported by a person on a regular basis, the security referred to in subsection (1) shall be in an amount that is determined by the Minister, but in no case shall the amount of security be less than \$5,000.

(5) The Minister may, at any time where the Minister considers it necessary, require a person who transports or causes to be transported goods within Canada to increase the amount of security given under subsection (1) to an amount sufficient to ensure the payment of any duties payable in respect of those goods.

#### Records

7. (1) Every person who transports or causes to be transported goods into Canada, or transports or causes to be transported within Canada goods that have been imported but have not been released, shall keep all invoices, bills, accounts and statements, or a copy thereof, relating to the transportation of the goods and, in addition, shall keep

(a) in the case of goods transported into Canada, any written report required to be made under the Reporting of Imported Goods Regulations or a copy thereof; and

(b) in the case of goods imported into Canada but not released, the description of the goods referred to in paragraph 3(1)(d), or a copy thereof.

(2) The records described to in subsection (1) shall be kept for a period of three years commencing on the 1st day of January of the calendar year following the calendar year during which the goods were transported.

## REGULATIONS RESPECTING THE REPORTING OF EXPORTED GOODS

### Short Title

1. These Regulations may be cited as the Reporting of Exported Goods Regulations.

### Interpretation

2. In these Regulations,

"Act" means the Customs Act; (Loi)

"chief officer of customs" with respect to an area or place, means the manager of the customs office or customs offices that serve that area or place; (agent en chef des douanes)

"emergency" means a medical emergency, fire, flood or any disaster that threatens life, property or the environment; (urgence)

"vessel" means

(a) any ship, vessel, dredge, scow, yacht, boat or other water-borne craft,

(b) any floating submersible or semi-submersible structure such as a dock, caisson, pontoon, coffer-dam, production platform, drilling ship, drilling barge, drilling rig, jack-up drilling ship, jack-up drilling platform or other drilling platform, and

(c) any combination of any water-borne craft, floating submersible or semi-submersible structure whether or not self-propelled, assembled or unassembled. (bateau)

### Manner of Reporting of Goods

3. Except as otherwise provided in these Regulations, all goods that are exported shall, prior to their exportation, be reported under section 95 of the Act in writing by the exporter, the agent of the exporter or the person transporting the goods

(a) in the case of exportation of goods by mail, at the post office where the goods are mailed;

(b) in the case of exportation of goods by vessel at the last port of call of the vessel where a customs office is located;

(c) in the case of exportation of goods by aircraft, at the customs office nearest the place of departure of the aircraft; or

(d) in any other case, at the customs office nearest the place of exportation of the goods or at any other customs office designated for the purpose of reporting pursuant to section 5 of the Act.

4. All goods that are exported by commercial vessel may be reported prior to their exportation in an interim report in writing on condition that a final report is made on or before the fourth business day following the day that the goods were exported.

5. For the purposes of these Regulations, the exporter of goods shall provide to the chief officer of customs on or before the day of exportation any information and all certificates, licences, permits or other documents relating to the goods required to be provided under the Act or any regulations made pursuant thereto or under any other Act of Parliament or regulations made pursuant thereto that prohibit, control or regulate the exportation of goods.

### Oral Reporting of Goods

6. Military conveyances that are exported and that do not contain any goods or cargo may be reported orally at the customs office nearest to the place of exportation of the conveyances if the exportation of the military conveyances is not prohibited, controlled or regulated under the Act or any regulations made pursuant thereto or under any other Act of Parliament or regulations made pursuant thereto.

7. Goods that are exported because of an emergency may be reported orally at the customs office nearest to the place of exportation.

### Monthly Reporting of Goods

8. (1) An exporter may report any of the goods described in subsection (2) on a monthly basis if the exporter submits to the chief officer of customs

(a) information that is sufficient to enable the Minister to verify that the exporter will export, in the following year, the number of shipments in respect of the goods to be reported set out in paragraphs (2)(a) to (e), and

(b) before exporting the goods to be reported, copies of any information and all certificates, licences, permits or other documents that are required to be provided in respect of the goods by the exporter under the Act or any regulations made pursuant thereto or under any other Act of Parliament or regulations made pursuant thereto that prohibit, control or regulate the exportation of goods.

(2) For the purpose of paragraph (1)(a), the number of shipments that an exporter will export in respect of goods to be reported on a monthly basis are as follows:

- (a) 250 or more shipments per year of goods that have a minimum total value of \$100,000 per year;
- (b) 250 or more shipments per year of goods that are bulk commodities;
- (c) 250 or more shipments per year of goods that are classified as a single export commodity on condition that the goods are transported by a single mode of transportation directly to the final destination;
- (d) 25 or more shipments per month of goods that have a minimum value of \$15,000 per month where an exporter exports on a seasonal basis; or
- (e) one or more shipments of goods that are transported by means of a pipeline or other continuous mode of transportation.

9. During a fishing season, each exportation of a commercial fishing vessel that is registered or licensed under the Canada Shipping Act need not be reported if the owner, master or operator, of the vessel or agent of the owner, master or operator, makes a report in writing at the time of the first exportation of the vessel during the fishing season.

#### Exceptions to Reporting

10. The following classes of goods may be exported without being reported if their exportation is not prohibited, controlled or regulated by the Act or regulations made pursuant thereto or under any other Act of Parliament or regulations made pursuant thereto:

- (a) gifts, personal effects, household effects and conveyances that are not for commercial use or for resale, and that
  - (i) are exported in the possession of a person departing from Canada,
  - (ii) form part of the baggage of the person, if the person intends that the person and the baggage depart from Canada by the same conveyance, or
  - (iii) are exported by any means other than commercial aircraft or commercial vessel;
- (b) aircraft and highway vehicles engaged in international commercial service; or
- (c) commercial goods having an estimated value of less than two thousand dollars.

11. Containers that have been imported may be exported without having to be reported if they were imported by a person who maintains an inventory of the containers that are in use in international commercial transportation service or by a person who leases the containers for use in international commercial transportation service if the person

- (a) keeps records of all containers imported into Canada sufficient to enable a customs officer to verify that the containers were reported and that all duties payable thereon were paid;
- (b) provides customs officers with access to the records of the containers referred to in paragraph (a).

12. Vessels used on a particular day solely or principally to transport vehicles or passengers across international waters may be reported in writing after the last trip of the day by that vessel.

---

## GUIDELINES AND GENERAL INFORMATION

### Introduction

1. Except as otherwise prescribed in the regulations, all commercial goods that are imported into, exported from, or moving in transit through Canada must be reported to Customs.

2. The requirement to report goods to Customs is generally effected through the presentation of a Customs approved cargo control document. The cargo control document enables Customs to control the movement of goods being imported and exported to ensure:

- (a) payment of duty and tax as prescribed by the Customs Tariff, Excise Tax Act, Excise Act and the Special Import Measures Act; and
- (b) compliance with other Acts of Parliament that control, prohibit or regulate the import or export of any specified commodity.

### Bond Requirements

3. Only carriers or freight forwarders that have filed security with Customs are permitted to transport in bond goods between points in Canada. Security can be posted on a single trip or general authorization basis. Carriers transporting more than five shipments into Canada annually are encouraged to apply for a general authorization in order to expedite Customs processing formalities.

#### General Authorizations

4. A carrier or freight forwarder wishing to transport in bond goods under a general authorization must apply on an Application to Transact Bonded Carrier and Forwarding Operations, form E 370. The application must be accompanied by security, as detailed below, and sent to:

Revenue Canada  
Customs, Excise and Taxation  
Ottawa, Ontario  
K1A 0L5  
Attention: Transportation Division

These application forms are available at all Customs offices. Instructions for the completion of form E 370 are in Appendix B to this Memorandum.

5. Information on posting security may be found in Memorandum D1-7-1, Posting Security for Transacting Bonded Operations. A sample of the bond is contained in Appendix C to this Memorandum.

6. The amount of security required varies by mode of transport. Information concerning the amount of security required may be found under "Bonding Requirements" in the D3 Memorandum relating to the cargo procedures for that particular mode of transport.

7. Companies seeking to become both primary carriers and freight forwarders should have separate and distinct operating names. A separate application form with the appropriate amount of security, must be filed for each operation.

8. When a parent company is involved, each incorporated or limited company may file a separate E 370 application together with a bond and the appropriate amount of security. A unique carrier code will be assigned unless the company wishes to operate under the same carrier code as its parent company. In the latter case, the following criteria must be met:

(a) if the parent company is on the post audit system as described in Memorandum D3-1-6, Customs Post Audit Control System, the company must also be on the post audit system (and vice versa);

(b) all tracing of outstanding shipments and Customs claims must be processed through the parent company;

(c) the subdivision must file either a separate bond or a rider to the parent company's bond to increase the amount of security to the required amount; and

(d) the corporate subdivision name must be shown on the form E 370. (If more than one subdivision, a list must be attached to the form E 370.)

9. Divisions which are not incorporated or limited companies must file a bond and form E 370 showing the incorporated or limited parent company name and the division name, i.e., "ABC Canada Inc., acting through its XYZ Division". The bond must be sealed with the corporate seal, i.e., ABC Canada Inc., and be signed by an officer of the parent company.

10. If a company changes its legal name, a rider or endorsement must be obtained from the surety to amend the bond. The rider, or endorsement, must be forwarded to the Transportation Division. If a company changes its address, a rider or endorsement is not required, but the Transportation Division must be notified of the change.

#### Single Trip Authorizations

11. Carriers not requiring general authorization may apply to Customs for a single trip bond. Application for single trip authorization shall be filed, in duplicate, at the Customs office of report, on form E 370, accompanied by security as outlined in Memorandum D1-7-1, in an amount prescribed by Customs. Instructions for the completion of the form E 370 can be found in Appendix B to this Memorandum.

12. Surety bonds for single trip authorizations must be in the format prescribed in Appendix C to this Memorandum.

13. The amount of security will be based on the estimated amount of duty and taxes payable on the goods being transported, but under no circumstances shall security be less than \$1,000.

14. Single trip bonds may be issued by Customs brokers acting as authorized agents of approved guarantee companies, provided the guarantee company is shown as surety on the bond and the relative form E 370. Form E 370 and surety bonds will not be accepted when Customs brokers are shown as surety.

15. A cargo control document to cover the movement of the goods must be presented to Customs at the same time as the E 370 form and security. The cargo control number will be transcribed onto the E 370 form which will be date-stamped.

16. The original form E 370, along with the security, will be filed chronologically by date at the issuing Customs office. The duplicate copy of form E 370 will be returned to the carrier.

17. Officers at the issuing Customs office must ensure that the carrier is aware of the location of the Customs office of destination (address of the Customs office or sufferance warehouse) to reduce instances of irregular delivery.

18. Customs brokers who have filed the maximum security of \$25,000 may contract with itinerant carriers to utilize the customs broker's carrier code and security to cover the in-bond movement of goods. The customs broker must issue a letter or telex authorizing the itinerant carrier to use the carrier code. This authorization must be in the carrier's possession for verification by Customs 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 itinerant carrier to Customs. Any tracers or penalties will be issued to the customs broker.

#### Carrier Identification

19. For the purpose of identifying bonded carriers and freight forwarders, a four digit carrier code will be assigned to a company upon authorization of bonded status. This carrier code number should be shown on all cargo control documents presented to Customs.

20. Carriers who do not wish to obtain a bond for transporting in bond goods into Canada, but who wish to have their own carrier code for identification purposes only, may also apply for a carrier code. These carriers can apply by submitting a completed Application to Transact Non-bonded Carrier Operations at Point of Arrival in Canada, form E 369. These application forms, which are available at all Customs offices, must be sent to:

Revenue Canada  
Customs, Excise and Taxation  
Ottawa, Ontario  
K1A 0L5  
Attention: Transportation Division

21. Bonded highway carriers, upon approval of bonded status, will be assigned a four-digit carrier code beginning with the number 2, 3 or 4. Non-bonded highway carriers who apply for a carrier code will be assigned a four-digit carrier code beginning with the number 7. Carrier codes beginning with the number 7 cannot be used on cargo documents that cover shipments moving in bond.

22. In the case of air carriers, the carrier code to be quoted on cargo reports is the three-digit code assigned by the International Air Transport Association (IATA) followed by a hyphen. Air carriers who do not have an IATA code will be assigned a carrier code by Customs, which will begin with the alpha A, followed by two numbers and a dash (for example, A99 ).

23. In the case of marine carriers, where the cargo reporting function is handled by a marine agent, the agents are required to apply for a carrier code from Customs. Those marine carriers not utilizing the services of agents will be required to apply for their own carrier code. Carrier codes assigned to marine agents or carriers will begin with the number 9.

24. Where a marine agent is involved in deconsolidating operations, both a marine carrier code and a freight forwarder's carrier code (number beginning with an 8) will be assigned. These codes are to be used in accordance with the function being performed at any given time.

25. Rail carriers who apply for bonded status will be assigned a carrier code beginning with the number 6.

26. Itinerant carriers operating under a single trip bond must show one of the following carrier codes on their cargo control documents, as applicable to the mode of transport: Air: "ITN" ; Highway: "2ITN"; Marine: "9ITN".

#### Sealing Requirements

27. Unless otherwise stipulated, conveyances, containers or compartments thereof must be sealed with Canadian Customs or company seals if the goods are moving to an inland destination for Customs examination and/or release.

28. A conveyance or container transported by a non-audit carrier does not have to be sealed if the goods are remanifested to an inland destination.
29. 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 Customs performs an outturn check, or part of the shipment is released at the border and the remainder is to be released inland. In these instances, a Customs seal must be affixed to the conveyance for furtherance inland.
- Cargo Reporting
30. Unless exempted under the regulations, commercial goods being imported into Canada must be reported by the carrier to Customs on an approved cargo control document or via electronic data interchange (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 Customs 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, Low Value Commercial Goods.
31. A cargo control document, cargo EDI transmission, or other Customs 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 the Frequent Importer Release System (FIRST). Further information on these release systems can be found in Memorandum D17-1-5, Release of Commercial Goods; or
  - (b) where a shipment is being transported by the importer, who obtains release of, and accounts for, the goods by presenting a form B 3, Canada Customs Coding Form, type C, cash accounting document at the initial Customs office of report.
32. Domestic goods being exported from Canada do not have to be reported to Customs on a cargo control document, unless the goods are moving in bond under Customs supervision (for example, when form E 15, Certificate of Destruction/Exportation, is used).
33. Shipments moving in transit through Canada must be reported to Customs on a cargo control document. Carriers transporting in transit shipments are required to report at the Customs office of arrival in Canada and, again, at the Customs office of exit when leaving the country.
34. When reporting goods to Customs, carriers may use the standard Customs Cargo Control Document, form A 8A, which is available at all Customs offices. Carriers may also privately print the cargo control document A 8A, in accordance with the specifications contained in Appendix G to this Memorandum. Alternatively, carriers may use other approved cargo documents such as the IATA waybill for air cargo; the form A 6A, Freight/Cargo Manifest for marine cargo; the form A 8B, United States-Canada Transit Manifest for in-transit goods being transported by highway mode, etc. Further information on alternate cargo documents that meet Customs requirements can be found in the D3 Memorandum relating to the particular mode of transport and in Memoranda D8-2-16 and D17-1-2.
35. Instructions for completing the cargo control document A 8A and alternate cargo reporting documents can be found in Appendix I to this Memorandum, in the D3 Memorandum relating to the particular mode of transport, and in Memoranda D8-2-16 and D17-1-2.
36. In the case of the automotive companies only (General Motors, Chrysler and Ford), line release privileges will be granted, at the time of initial report to Customs, on cargo control documents that identify production and service goods.
37. The actual number of packages, parcels, drums, etc., being imported, must be shown on the cargo control document. The cargo control document may be completed to show the number of pieces in the quantity section of the document with the number of transportation units (i.e., skids, pallets, containers) shown in the description of goods section. Alternatively, the number of transportation units may be shown in the quantity section with the number of pieces shown in the description of goods section. In both cases, where more than one commodity is reported on a cargo control document, the total pieces must be indicated.
38. In the case of bulk commodities, the quantity on the cargo control document will be shown as "1", representing one ship, railcar, trailer load or truck load.
39. Where several shipments consigned to one consignee are carried in one truck, railcar or container, a single cargo control document may be presented. The shipper name and address field on the cargo control document must be completed as "various". The carrier must be prepared to provide probills or invoices identifying the vendors at the time of presentation of the cargo control document when requested by a Customs officer.

## Corrected and Rewritten Cargo Control Documents

40. Any corrections may be made to the original cargo control document prior to presentation to Customs, if the corrections are legible. All copies of the cargo control document must be corrected.
41. Corrections to a cargo control document may also be made after the carrier has reported to Customs, if the Long Room and Customs Delivery Authority copies have not as yet been presented to the broker/consignee. The corrections are to be made on the Long Room and Customs Delivery Authority copies and presented to Customs, accompanied by supporting evidence if the quantity or description is changed. Acceptable supporting evidence will be the original bill of lading, waybill, interlined probill or other acceptable document from the point of loading. The Long Room and Customs Delivery Authority copies will be returned to the carrier for presentation to the consignee.
42. 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 shall be supported by documentation such as the original bill of lading, waybill, interlined probill, or other acceptable document from the point of loading.
43. The carrier must present all copies of the rewritten document with the Long Room and Customs Delivery Authority copies of the original document, and the supporting documentation, where necessary, to Customs for validation.
44. If found to be acceptable, the Long Room and Customs Delivery Authority copies of the rewritten document will be date stamped on the reverse of the document. The rewritten Long Room and Customs Delivery Authority copies will be returned to the carrier for furtherance to the consignee. Customs will destroy the original Customs Delivery Authority copy. The rewritten mail copy (with the original Long Room copy and supporting documentation) will be retained by Customs.
45. The carrier should only rewrite the cargo control document for a change in quantity on a shipper's load and count when the original bill of lading or interlined probill contained a typographical or other error, or when an error occurred in the preparation of the cargo control document.

## Shortages

46. A shortage is any deficiency in the actual number of pieces in a shipment against the quantity reported on the cargo control document.
47. As the carrier's report to Customs is proof of the goods being on board the vehicle, all goods reported to Customs are deemed to have landed in Canada.
48. Duty and taxes will be assessed on all goods declared on the cargo control document unless acceptable evidence of a shortage is presented to Customs. Presentation of the evidence respecting the shortage is the responsibility of the party liable for payment of the duties and taxes.
49. Acceptable evidence of a shortage can consist of written evidence of payment of a claim by a foreign carrier, a statement by a Customs 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. Documentation originating from the carrier is not considered acceptable evidence of a shortage. Shortages must be substantiated by a third party.
50. 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.
51. Shortages previously noted on waybills at a trans-shipping point outside Canada, or as ascertained by a physical check by Customs at the Customs office of importation, must be noted on all copies of the cargo control document. This notation will read either:
- 10 cases
- 1 case short at ..... (location where goods were found short)
- or
- 9 cases
- part lot of 10.

52. When portions of a shipment previously identified as a shortage are forwarded to Canada, they must be reported on a cargo control document. This document must bear a reference to the original cargo control document number in the description of goods field.

#### Overages

53. An overage means any excess in the actual number of pieces in a shipment against the quantity reported on the cargo control document.

54. All such goods found by Customs or the carrier must be documented immediately by the carrier on a cargo control document, and all copies must be presented to Customs for validation and processing. The Long Room and Customs Delivery Authority copies will be returned to the carrier for furtherance to the consignee for use in effecting Customs clearance.

55. As overages represent cargo that has not been reported to Customs as required under the Customs Act, when a Customs inspector discovers an overage during a Customs check or examination, the carrier will be assessed a penalty, as outlined in Memorandum D3-8-1, Cargo Control Contraventions.

56. 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, prior to their arrival in Canada. Acceptable proof includes presentation of the original cargo control document, an internal discrepancy report showing the loading error, or other evidence. 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.

57. In the case of overages found by a carrier within the carrier's system, the carrier must report the goods immediately on a cargo control document to the nearest Customs office. This action will be considered a voluntary disclosure, and the carrier will not be assessed a penalty.

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

59. 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 showing the Customs office of re-importation as the receiving Customs office. After verification of the facts, the shipment will be released to the carrier. Verification will consist of satisfactory evidence provided by U.S. Customs or the carrier at the trans-shipping point where the goods were found. The cargo control document will be acquitted by reference to this Memorandum.

60. United States shipments destined for other points in the U.S.A. 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 Customs control and it must bear a space for the signature of a Canadian Customs officer. When the goods are exported, the Long Room and Customs Delivery Authority copies must be presented to Customs at the point of exit. The Customs Delivery Authority copy will be returned to the carrier after being stamped by Customs, and the Long Room copy will be assigned an outward report number and retained by Customs.

#### Shipper's Load and Count

61. When cargo is carried under shipper's load and count arrangements, the cargo control document must be clearly marked "shipper's load and count" and all units must be sealed by the shipper prior to transfer to the carrier.

62. The carrier must maintain a seal record and note the seal number on the cargo control document. If a seal is broken for Customs purposes, a Customs inspector must supervise the breaking of the seal and the resealing of the unit.

63. Cargo reporting requirements are the responsibility of the carrier. The carrier, however, will not be held accountable for the number of pieces reported on the cargo control document. The consignee will be held responsible for reporting the actual number of pieces on the release document.

64. For information on goods shipped under shipper's load and count arrangements, consigned to a freight forwarder, refer to Memorandum D3-3-1, Forwarded and Consolidated Cargo Import Movements.

#### Customs Cargo Control Abstract

65. A shipment must be abstracted when its cargo control document will be accounted for by more than one Customs accounting document or other clearance document. With the exception of split shipments in the air mode, portions of the manifested quantity cannot be cleared on an acquittal document without the preparation of a Customs Cargo Control Abstract, form A 10, by the importer.

66. Form A 10 is a five-part form consisting of the following copies:

- 1 Customs Control copy
- 2 Long Room copy
- 3 Customs Delivery Authority copy
- 4 Warehouse Keeper's copy
- 5 Issuer's copy

Instructions for the completion of form A 10 and a sample document may be found in Appendix D to this Memorandum.

67. A form A 10 must be prepared for each portion of the shipment requiring separate acquittal. The entire quantity shown on the carrier's cargo control document must be accounted for on the cargo control abstracts.

68. Each cargo control abstract must show a unique number, which would be derived as follows:

(a) The cargo control number on the master cargo control document would be suffixed by the character X and a sequential numeric digit, beginning with 1. For example, 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) Where a cargo control document which shows a number consisting of 23 digits is to be abstracted into more than nine shipments, the cargo control number on the master document would be suffixed by:

- (1) X1 to X9 for the first nine abstracts,
- (2) Y1 to Y9 for the next nine abstracts,
- (3) Z1 to Z9 for the next nine abstracts,
- (4) A1 to A9 for the next nine abstracts,
- (5) B1 to B9 for the next nine abstracts, etc.

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

69. All copies of each abstract set must be presented to Customs, along with the Long Room and Customs Delivery Authority copies of the cargo control document that was abstracted, prior to the release of any portion of the shipment.

70. The Customs Delivery Authority copy of the cargo control document that was abstracted will be stamped by Customs and returned to the warehouse operator for record keeping purposes. The Customs Control copy of each abstract along with the Long Room copy of the cargo control document that was abstracted will remain with Customs. The Long Room and Customs Delivery Authority copies of each abstract will be returned to the consignee for presentation with the clearance documents. The Warehouse Keeper's copy of each abstract will be forwarded by the issuer to the warehouse operator for record keeping purposes. The Issuer's copy of each abstract will be returned to the issuer of the document. Further details on warehouse operator's record keeping requirements can be found in Memorandum D4-1-4, Customs Sufferance Warehouses Regulations.

71. 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.

#### Remanifest Cargo Control Documents

72. In situations where cargo must be remanifested (usually because of a change in the destination and/or in the carrier who is transporting the in-bond shipment), a new cargo control document, or remanifest, must be presented to Customs. The information shown on the remanifest must agree with that shown on the original cargo control document and any discrepancies must be approved by Customs. A new cargo control number must be shown on the remanifest, and the original cargo control number must appear in the previous cargo control number field of the remanifest.

73. Where the subsequent movement is to be effected by a connecting carrier, the carrier code of the carrier assuming liability for the goods must be shown in the carrier code section of the cargo control number on the remanifest.

74. 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 remanifests for the total quantity of the original cargo control document must be presented at the same time to Customs.

75. Carriers operating under the post audit system must number their remanifests with the probill or waybill number assigned to the consignment within their system.

76. All copies of the remanifest must be presented to Customs accompanied by the Long Room and Customs Delivery Authority copies of the previous cargo control document. The Customs Delivery Authority copy of the original cargo control document will be stamped and initialed by Customs for return to the warehouse operator. The mail and station copies of the remanifest will be retained by Customs, and the remaining copies will be returned to the carrier.

#### Diversions

77. For the purpose of these instructions, a diversion occurs when a shipment, prior to arrival at the destination Customs office, sufferance warehouse or breakbulk facility indicated on the cargo control document, is diverted to another Customs office. If it is determined that the goods should have been directed for release to another Customs office 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 issue of a new cargo control document.

78. It will be the responsibility of the carrier in whose system the diversion occurs to prepare a Customs Diversion Notice, form A 30, in duplicate and attach both copies to the Long Room copy of the cargo control document.

79. 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 and the third copy will be date-stamped and returned to the carrier for record purposes. Diversion Notices shall be in the format prescribed in Appendix E to this Memorandum.

80. The Diversion Notice and the Long Room and Customs 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 Customs office of release. The Diversion Notice will remain with the Customs acquittal document until numbered.

81. Diverted shipments may not be released by Customs 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 to either obtain it from the carrier or prepare a Diversion Notice (in duplicate) for presentation to Customs.

82. If a discrepancy exists, the Customs office of clearance will contact the Customs 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 Customs office at the point of arrival to resolve the discrepancy.

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

84. Diversion Notice procedures are not applicable to shipments covered by a freight forwarder's cargo control document or Customs Cargo Control Abstracts.

#### Interline Transfers

85. Post audit carriers may transfer goods in bond to a secondary bonded carrier for furtherance to destination under the post audit carrier's original cargo control document without liability to Customs as outlined in paragraphs 107(e) and 110 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 Customs requirements. The transferring carrier will surrender the Long Room and Customs 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 destination.

86. In order that the transferring carrier is absolved of liability to Customs 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 Customs; and

(f) it must be signed and dated by the carrier to whom the shipment is being transferred.

## Delivery Requirements Exemptions

87. In-bond goods that have not been released by Customs at the point of importation must be delivered to another Customs office or a sufferance warehouse for Customs release, unless exempted from this requirement by Customs (see paragraph 89 of this Memorandum).

88. Information respecting general delivery requirements into sufferance warehouses may be found under "Delivery Requirements and Transfers to Sufferance Warehouses" in the D3 Memorandum outlining the cargo procedures for the specific mode of transport.

89. Cargo arriving in Canada as marine or rail traffic can be transferred to a highway carrier and move forward to destination on the primary marine or rail cargo control document provided that:

- (a) the highway sufferance warehouse at destination is licensed to receive shipments on marine or rail cargo control documents;
- (b) the Customs office at destination is indicated in the manifest's "To" field on the primary cargo control document; and
- (c) the marine shipments are being transported to destination under an Overland Movement authority and security (see Memorandum D3-5-2, Marine Cargo Import Movements).

90. The following commodities have been exempted:

- (a) articles imported as settlers' effects (tariff item No. 9807.00.00) or under the provisions of tariff items Nos. 9819.00.00, 9805.00.00 and 9808.00.00;
- (b) spirits or tobacco products consigned to and for use in production by licensed excise manufacturers;
- (c) alcoholic beverages authorized by the Importation of Intoxicating Liquors Act, in the following circumstances:
  - (1) for direct delivery into a distillery;
  - (2) for delivery to a bonded warehouse operated by a board, commission or other government agency; or
  - (3) for delivery to a facility operated by an authorized agent of a government board, commission or agency mentioned in paragraph (2) above under conditions approved by Customs;
- (d) empty cargo containers repositioned for loading export cargo;
- (e) goods subject to the Explosives Act;
- (f) goods transferred from a bonded warehouse in one Customs office jurisdiction to a bonded warehouse in another Customs office jurisdiction, provided the blocks for the sending and receiving Customs offices on the cargo control document are properly completed. For example, manifested from the Customs office of Toronto, bond No. 20, to the Customs office of London, bond No. 13;
- (g) goods for delivery to a Customs bonded warehouse under the jurisdiction of a frontier Customs office may be manifested directly onto the frontier Customs office when no sufferance warehouse is established at the location;
- (h) goods being the property of the United States government, arriving by highway and manifested on Argentia, Newfoundland, for release; and
- (i) goods for delivery to a duty free shop.

### Transfers Between Customs Release Points

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

92. Information respecting transfers between sufferance warehouses may be found under "Delivery Requirements and Transfers to Sufferance Warehouses" in the D3 Memorandum relating to the cargo procedures for the particular mode of transport.

93. Goods transferred from a sufferance warehouse to a private bonded warehouse will not be documented on a cargo control document as Customs control will be effected under the B 3 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 Customs office.

94. Goods transferred from or into a public bonded warehouse must be documented on a cargo control document. Also, when goods are transferred from a private or public bonded warehouse in one Customs jurisdiction into a private or public bonded warehouse in another Customs office jurisdiction, a cargo control document will be required.

95. The cargo control document covering the transfer must be presented, where possible, at the same time as the B 3 accounting document and it must bear a reference to the B 3 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 B 3 accounting document. Where the goods are moving from a sufferance warehouse into a public bonded warehouse, the Customs 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 cargo control document covering the transfer of the goods has been received and validated by Customs.

96. After validation of the B 3 accounting document and cargo control document, the Long Room and Customs Delivery Authority copies will be returned to the carrier for presentation to the receiving warehouse operator. Customs will retain the mail and station copies for control purposes.

97. Upon delivery of the goods to the bonded warehouse, the warehouse operator must acknowledge receipt of the goods on the Long Room and Customs Delivery Authority copies. Any discrepancies in the number of pieces should also be noted.

98. When the goods have been transferred from a bonded warehouse, the warehouse operator will present the Long Room and Customs Delivery Authority copies to the consignee, or agent, for subsequent presentation with the B 3 accounting document for re-warehouse.

#### Notification of Release of Goods to Warehouse Operators

99. When Customs notifies warehouse operators of the release of a shipment by telex or facsimile transmission system, 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.

100. In the case where the actual Customs Delivery Authority copy of the cargo control document is transmitted by telex or facsimile, the original of the document is not forwarded to the warehouse operator. In all other cases, the original Customs Delivery Authority copy must be forwarded to the warehouse operator.

101. 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 of its contents are released.

#### Outstanding Cargo Control Documents Tracing Procedures

102. The carrier's report to Customs is proof of the goods being on board the vehicle 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 can be provided that the goods did not enter Canadian commerce or consumption without the benefit of Customs release. In accordance with paragraph 14 of the Reporting of Imported Goods Regulations, payment or evidence should be provided to Customs within 70 days from the date of initial report.

103. Tracing procedures will be initiated by Customs against all outstanding cargo control documents that remain unacquitted 40 days from the date of initial report to Customs.

104. Prior to issuing a Customs Tracer, form A 19, Customs will verify if the goods are on hand in a Customs sufferance warehouse or other approved holding area. If the goods are found, the procedures for unclaimed goods as detailed in Memorandum D4-1-5, Storage of Goods Regulations, will be followed.

105. If the goods are not in the sufferance warehouse, a Customs Tracer, form A 19, 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 A 19 to enable the carrier to trace the shipment. A specimen of form A 19 may be found in Appendix F to this Memorandum.

106. The A 19 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 Customs 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.

107. Where satisfactory evidence can be provided to prove that the goods did not enter Canadian consumption without Customs 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 Customs. A copy of the Customs stamped Customs Delivery Authority copy of the cargo control document, a duty paid final accounting document, form B 3, Canada Customs Coding Form, a stamped duty paid copy of a Detailed Coding Statement (DCS), or a form K 84, Importer/Broker Account Statement.
- (b) The goods were not laden outside Canada. A written statement from the exporter, foreign port authority, or other official having knowledge of the facts that the goods are located in a foreign country having 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 Customs 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 secondary bonded carrier for delivery to destination. A copy of an acceptable interline document bearing the signature of the secondary carrier marked "in bond". This refers only to those shipments where the cargo is transferred to the secondary carrier for delivery and the post audit carrier's original cargo control document covers the movement to final destination. It does not include remanifested or diverted shipments.
- (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 destination.
- (g) While still in bond, the goods were exported from Canada. A copy of the cargo control document under which the goods were exported without leaving the carrier's system, or a copy of a U.S. Consumption Entry, or similar accounting document from a foreign government.
- (h) The goods were destroyed after landing in Canada, prior to Customs 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.

108. If, on receipt of the form A 19, 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 advise both the consignee and Customs of the location of the goods.

109. Customs will allow the consignee two business days after notification by the carrier, warehouse operator, or importer/broker that an accounting document will be forthcoming, to present an accounting document for the load prior to issuing a form E 44, Customs Notice Unclaimed Goods, and transferring the goods into the Queen's Warehouse.

110. When a post audit carrier submits acceptable evidence to Customs that the goods were interlined in bond to a secondary bonded carrier for delivery to destination on the original cargo control document as outlined in paragraphs 85, 86 and 107(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 Customs Tracer, accompanied by a copy of the cargo control document and a copy of the evidence, and will be held accountable for the goods.

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

112. When a carrier submits acceptable evidence to Customs that the goods were transferred in bond to another bonded carrier for remanifesting to another Customs office, the carrier will be absolved of liability for the goods. The receiving carrier will be issued a Customs 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.

113. It should be noted that failure to respond to a Customs Tracer, form A 19, within the 30 day time limit may result in the issuance of a cargo control contravention penalty (Notice of Ascertained Forfeiture, form K 100B).

114. Where proof of legal disposition of the goods is not submitted to Customs within the 30 day time period of the Customs Tracer, duties must be accounted for on form B 3 or form K 23, Invoice, depending on the party liable for the payment of duties.

115. 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 notified in writing to submit a voluntary entry on form B 3 within 30 days.

116. 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 K 23. Receipt of payment should be acknowledged on form K 21, Cash Receipt.

117. Form K 23 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 K 23 form will be considered if suitable evidence is presented to Customs within two years of payment.

118. In the case of outstanding import shipments covered by single trip bonds, the Customs office of destination will request a copy of the bond and form E 370 from the issuing office to facilitate tracing of the shipment or demands on the surety company.

119. The Customs office of issuance will be responsible for tracing outstanding in-transit shipments covered by a United States Canada Transit Manifest, form A 8B.

#### Shipments Subject to the Requirements of Other Government Departments

120. 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 taken considered when tracing action is being taken (see Memoranda D19).

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

#### Penalty Information

122. For further information on penalties, refer to Memorandum D3-8-1, Cargo Control Contraventions.

#### Additional Information

123. Please direct all correspondence to:

Revenue Canada  
Customs, Excise and Taxation  
Ottawa, Ontario  
K1A 0L5  
Attention: Transportation Division

## APPENDIX A

### GLOSSARY OF TERMS

Words and terms used frequently in this Memorandum are defined as follows:

"Abstracts" are 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. (Résumés)

"Breakbulk" means to separate a composite load into individual shipments and route to different destinations. (Rupture de charge)

"Bulk Cargo" means a homogeneous shipment of one commodity that is loose or in mass and generally must be shovelled, pumped, blown, scooped or forked in handling. (Fret en vrac)

"Cargo Container" means 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. (Conteneur)

"Carrier Code Number" means the code number by which a carrier is identified in the Customs cargo control system. (Numéro de code du transporteur)

"Consolidation" means a number of separate shipments grouped together by a consolidator or freight forwarder and shipped under one cargo control document. (Envoi groupé)

"Deconsolidation" means that process whereby a consolidated shipment is divided into individual shipments consigned to various consignees. (Envoi dégroupé)

"Diversion" means the rerouting of a shipment, prior to arrival at the destination Customs office, sufferance warehouse or breakbulk facility indicated on the cargo control document, to a Customs release point other than that shown on the cargo control document. (Déroutement)

"In Transit" means 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 U.S.A. to another point in Canada. (En transit)

"Overage" means any excess in the actual number of pieces in a shipment against the quantity reported on the cargo control document. (Surplus)

"Remanifest" is a new cargo control document, with a new cargo control number, that is presented to change a cargo control document that had previously been submitted to Customs. Remanifests are generally presented to change destination office or carrier code. (Nouveau manifeste)

"Shipper's Load and Count" (SLC) means cargo moving under a bill of lading where the carrier acts as a transport contractor without responsibility for loading or unloading. (Compte et chargement par l'expéditeur)

"Shortage" means any deficiency in the actual number of pieces in a shipment against the quantity reported to Customs by the carrier on the cargo control document. (Manquant)

"Split-shipment" means that portions of one shipment covered by one air waybill enter the country at different times. (Expédition fractionnée)

APPENDIX B

See Form E370

Example Form unavailable

APPENDIX B – con.

INSTRUCTIONS FOR THE COMPLETION OF THE APPLICATION TO TRANSACT BONDED CARRIER AND FORWARDING OPERATIONS, FORM E 370

1. **Company Name** The legally registered name of the company as shown on the security posted and, in the case of limited companies, as shown on the corporate seal.
- 2, 3. **Head Office Address/Postal Code/Zip Code** The full mailing address of the corporate head office including the postal or zip code. This address will be used for all correspondence concerning the application, and, after authorization is granted, all correspondence concerning the operations of the company.
- 4, 5. **Name and Title of Contact(s)/Telephone No.** Provide the name, title and telephone number of the person(s) who should be contacted in regards to the general operations of the company, tracing of outstanding shipments, and penalties. If the address(es) differs from the head office address, provide the address(es). Use an additional page if necessary.
6. **Single Trip** Applicants for single trip authorization should indicate a checkmark ( ) in this box.
7. **From Customs Office of/To Customs Office of** Applicants for single trip authorization should provide the name of the Customs office at the point of entry, where this application is submitted, and the Customs office where the goods are to be delivered.
8. **General Authorization** Applicants for general authorization should indicate the type of operation for which they wish to be bonded by placing a checkmark ( ) in the applicable box. Only one box may be marked.
9. **Surety Bond** Indicate with a checkmark ( ) if a surety bond from a guarantee company or financial institution is posted as security.
10. **Government of Canada Bond** Indicate with a checkmark ( ) if Government of Canada Bonds are posted as security. Where an applicant has chosen to submit Government of Canada Bonds, Customs form Y 76, Transfer of Registered Bonds, is to be completed and submitted with the bonds and this application. Form Y 76 may be obtained from any Customs office or from the Transportation Division in Ottawa.
11. **Other (specify)** Indicate with a checkmark ( ) if security other than a surety or Government of Canada Bond is posted. Identify the type of security being posted, i.e., cash or certified cheque.
12. **Name and Address of Guarantee Company** When surety bonds are posted as security, provide the full, legally registered name of the guarantee company or financial institution which issued the bond. Where applicable, provide the head office address of the guarantee company or financial institution. If not known, leave blank.
13. **Bond No.** Where applicable, indicate the bond number of the surety bond.
14. **Amount** Indicate the amount of security.
- 15, 16. **No. Units Non-duty Paid in Canada/No. Units Manufactured or Duty Paid in Canada** Highway carrier applicants must indicate the number and type of equipment to be utilized, as applicable. If cars or vans are to be used, indicate type of vehicle and number in the "Other" column.
17. **Type and Number of Equipment to be Utilized** Air carrier applicants must indicate the type of aircraft, the maximum authorized take-off weight of each aircraft type, and the number of aircraft to be utilized. Use an additional page if necessary.
18. **Freight Forwarders** The term "freight forwarder" includes deconsolidators and pool car operators. Use an additional page if necessary.
19. **Marine Carriers** Indicate the ports of discharge and the destination Customs offices which the carrier/agent wishes to have authorized under the overland movement privilege. Indicate the name and address of the warehouse or terminal to which the goods are to be forwarded for Customs clearance. Where the marine carrier/agent does not have an office at the destination release point, indicate the name of the agent who will be acting on their behalf for distribution of the advice notes. Use an additional page if necessary.
20. **Signature of Applicant** The application must be signed by an authorized official of the company.
21. **Title** Indicate the title of the official signing the application.

APPENDIX C

See Form D 120

Example Form unavailable

APPENDIX D

See Form A 10

Example Form unavailable

CUSTOMS CARGO CONTROL ABSTRACT, FORM A 10, COMPLETION INSTRUCTIONS

1. The following information must be shown on a Customs Cargo Control Abstract for Customs use.
2. Customs Office Indicate the Customs office where the abstracts are presented. Customs offices are listed in Memorandum D1-1-1, List of Customs 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 Customs 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 68 (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 and address of the sufferance warehouse where the goods are stored pending Customs clearance.
12. No. of Pieces Indicate the quantity of goods being reported.

The following are different methods of reporting a shipment:

No. of Pieces	Description and Marks
1	car load containing 75 cases of motor oil on 3 pallets
3	pallets containing 75 cases of motor oil
75	cases of motor oil on 3 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 Customs cargo control abstracts or re-abstracts, whichever is applicable.

APPENDIX E

See Form A 30

Example Form unavailable

APPENDIX F

See Form A 19

Example Form Unavailable

## APPENDIX G

### CARGO CONTROL DOCUMENT SPECIFICATIONS

1. The Customs 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 Customs.
3. Department 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 Customs will be rejected for reporting purposes. In such instances, the carrier will have to reprint the cargo control document so that it meets Customs requirements.
4. Customs 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. Customs will assist carriers in ensuring that their privately printed cargo control documents meet Customs requirements. Assistance is available from:

Revenue Canada  
Customs, Excise and Taxation  
Ottawa, Ontario  
K1A 0L5  
Attention: Transportation Division

6. The number of copies required to report goods to Customs varies, depending on the mode of transportation and the status, that is, post audit or non-audit, of the carrier.

#### Post Audit Operations

7. Carriers operating under post audit Customs control must utilize a document combining the elements of an internal revenue bill and a Customs 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 Customs purposes:

1. Mail copy
2. Long Room copy
3. Warehouse Operator's copy
4. Customs Delivery Authority copy

9. Where the internal revenue bill/cargo control document is utilized to re-manifest 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-audit Operations

11. All carriers, except marine, who are not under the post audit control system must utilize 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. Customs Delivery Authority copy

12. A marine cargo control document, when utilized as the support documentation to the General Declaration, form A 6, must include five copies in the following sequence:

1. Station copy (3 copies)
2. Long Room copy
3. Customs 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.

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 unless exempted from this requirement by the Transportation Division. As a minimum, the Mail copy, Long Room copy, and Customs Delivery Authority copy of the cargo control document must be bar coded, if the carrier is unable to bar code the cargo control number on all the copies of the document set.

16. Bar code specifications for the cargo control number are contained in Appendix H to this Memorandum. Bar coded/human readable cargo control numbers must be approved by Customs prior to printing of the cargo control document or labels.

17. Those carriers who are not required to bar code their documents must provide the cargo control number in pre-printed or computer-generated format on all copies of the cargo control document.

#### Document Specifications

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

19. Only side stubs and tearoffs will be accepted on cargo control documents.

20. All Customs copies of the cargo control document are to be white in colour.

21. 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. To be delivered by consignee to Customs

Long Room copy

4. To be delivered to warehouse operator

Warehouse Operator's copy

5. To be delivered by consignee to Customs

#### Customs Delivery Authority copy

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

23. A field for the Customs release stamp must be provided on the Customs Delivery Authority copy with the following wording screened 30%, TO BE RELEASE STAMPED BY CUSTOMS BEFORE GOODS CAN BE DELIVERED TO CONSIGNEE. The field for the release stamp is to be printed on the Customs 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 Customs release stamp are the same as for the free area.

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

25. Size specifications for each field of the cargo control document are indicated on the sample document provided in this Appendix. 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.

APPENDIX G con.

Example Form unavailable

## **APPENDIX H**

## APPENDIX H

## PART I

BAR CODE SPECIFICATIONS FOR  
CARGO CONTROL NUMBERS

## 1. Bar Code Symbolologies

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

(a) Standard Code 3 of 9 is defined in the AIM (Automatic Identification Manufactures Inc.) Document USS-39 (USD-3). You 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, you may not be able to use Code 3 of 9. We 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.

For Code 128, there are four different bar widths. 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 ten 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) 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, and 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:

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

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

## 9. Readability

The average first-read rate for bar code symbols produced must be 95% (i.e., only 5 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% 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.

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

(1) **XXXXXXX.....X**

In this format, the first four digits are the carrier code, of which the second or third digit can be an en dash. The cargo control number follows the fourth digit and can be up to 21 digits.

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

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

(b) The bar code symbol for itinerant carriers, if privately printed by customs brokers, is a code of between 13 and 25 digits in one of the following formats:

(1) Rail mode:

**NAAANNNNNXXXXX.....X**

The first digit, N, is a number to indicate the mode (6 for rail).

**AAA** is an alpha identifier made up of three letters, e.g., ITN

**NNNNN** is an account security number, of no more than five numbers.

**XXX....X** is the cargo control number, of no more than 16 alphanumeric digits.

Example

6ITN123450000156

(2) Marine mode:

Marine carriers must use their own 9000 carrier code or use the marine agent's code.

(3) Air mode:

**AAA-NNNNNXXX.....X**

**AAA** is an alpha identifier made of three letters, e.g., ITN.

A dash (-) denotes an air carrier.

**NNNNN** is the five-number account security number.

**XXX....X** is the cargo control number, which can be up to 16 alphanumeric digits.

Example

ITN-123450000157

(4) For highway mode:

**77YYNNNNNXXXXX.....X**, where

**77YY** = Highway Carrier Code

**NNNNN** = Account Security Number (5 digits) (Numeric)

**XXX....X** = Cargo Control Number (up to 16 digits) (Alpha numeric).

e.g., 77YY123450000156

### 2. PARS Shipments

To identify a PARS shipment submitted to customs, 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**

Canada customs prefers option 2.

**3. Delimited Area**

The delimited area on the A 8A 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 numbering must be done in a method to 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 departmental standards for readability.

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

We will send to the originator a letter 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. 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:

Commercial Systems Integration  
Systems Operations Division  
Customs Programs Strategy and Major Projects  
Canada Border Services Agency  
17th floor  
191 Laurier Avenue West  
Ottawa ON K1A 0L5

APPENDIX I

CARGO CONTROL DOCUMENT COMPLETION INSTRUCTIONS

The following outlines information to be shown on the cargo control document.

1. US 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 U.S. that are entering Canada in the service of an air carrier, indicate the U.S. Customs port where the merchandise is loaded on the aircraft which is to carry the merchandise to Canada. For transborder air shipments that enter Canada in the service of a highway carrier, indicate the U.S. Customs port at which or nearest to which the highway carrier crosses the border of the U.S. 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 destination.

3. Manifest from Indicate the Customs office where the goods are reported.

4. To Indicate the Customs office where the goods are to be released. Customs offices are listed in Memorandum D1-1-1, List of Customs Offices. Where the destination has more than one sufferance warehouse for the applicable mode of transport (for example, Toronto), the name of the receiving Customs 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 Indicate the name and address of the person (company) in Canada to whom the goods are being shipped.

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 Customs.

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 Appendix G to this Memorandum.

In all other instances, the cargo control number will be assigned by Customs. Where the carrier has been assigned a carrier code, the first four characters of the cargo control number should indicate the carrier code.

9. Carrier Code/Previous Cargo Control No. This field is to be completed on secondary cargo control documents, such as re-manifests, 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 3 pallets
3	pallets containing 75 cases of motor oil
75	cases of motor oil on 3 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 does not exist on their cargo control documents for this information.

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 warehouse where goods are stored pending clearance. The name of the agent handling the load must also be shown in this field.

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 Customs documentation within their operations.