



# Sunset of the Interim Turnaround Policy for Highway Carriers

The CBSA’s Interim Turnaround Policy for Highway Carriers was implemented on June 7, 2017 to allow carriers in the highway mode to return to the United States to avoid Administrative Monetary Penalties (AMPS) while they properly report pre-arrival cargo and/or conveyance information in accordance with the Advance Commercial Information (ACI) regulatory requirements.

The Turnaround Policy was implemented as an interim solution to allow the CBSA to review and enhance compliance monitoring and enforcement activities related to ACI/eManifest. Additionally, it allowed for the highway industry to implement their own internal policies and procedures related to ACI/eManifest while avoiding penalties for non-compliance with the *Reporting of Imported Goods Regulations*.

The decision to sunset this policy is as a result of careful consideration by the CBSA, and weighed a number of factors, including health, safety and regulatory obligations with the needs and concerns of industry. The CBSA’s Interim Turnaround Policy will expire across the country on **November 2, 2020, at 23:59 Pacific Time**. Further extensions to this policy are not expected.

The successful sunset of this policy will require the continued cooperation of the CBSA and highway carriers as the policy comes to a close. Following the sunset of the policy, the CBSA will ensure to focus on education and outreach as a primary compliance mechanism.

As of November 3, 2020, carriers who arrive at a port of entry and where non-compliance is discovered may choose to do the following:

- Return to the United States to await correction of ACI data.
- Park and wait at the port of entry to await correction of ACI data.

In both cases, Highway carriers arriving in Canada without being fully compliant with Advance Commercial Information (ACI) /eManifest pre-arrival cargo and conveyance data **may** be subjected to monetary penalties. Furthermore, carriers **must** submit ACI that is in compliance with all requirements before being permitted to proceed.

Since 2017, the CBSA has worked with both internal and external stakeholders to address the numerous issues raised regarding systems and the mitigation of penalties while also enhancing communication. The CBSA is confident that the challenges that occurred in 2017 which led to the creation of the policy have been resolved/addressed as demonstrated below:

| 2017 Challenges   | Current Solutions/Procedures   |
|---|--|
| Border Service Officers (BSO) were inconsistently issuing penalties for non-compliance with eManifest at multiple ports of entry. | The CBSA shifted the issuance of all ACI-related penalties to one centralized headquarters-based team – Carrier, Postal and Courier Compliance (CPCC). |

| 2017 Challenges   | Current Solutions/Procedures  |
|---|---|
| <p>BSOs were issuing ACI related penalties for every instance of non-compliance detected. In many cases a carrier had received multiple penalties at multiple monetary levels for the same type of non-compliance. The carrier did not have an opportunity to correct internal procedures to address the non-compliance before receiving a subsequent notice with an escalated penalty.</p> | <p>The CBSA shifted the issuance of all ACI related penalties to a centralized headquarters team - the Carrier, Postal and Courier Compliance Unit (CPCC).</p> <p>The CBSA developed an internal mitigation framework used to ensure a fair and consistent monitoring and compliance approach to all carriers in all modes. The framework is based on the concept of responsible compliance management with an emphasis on promoting voluntary compliance through outreach and education rather than immediate enforcement activity.</p> <p>The CPCC interacts with non-compliant carriers on multiple occasions providing awareness and education prior to resorting to the issuance of any penalty.</p> |
| <p>No system was in place to track a carrier compliance history.</p>  | <p>The CBSA developed and utilizes a case management tool that is a repository for all interactions with carriers on ACI-related matters.</p>   |
| <p>Focus was on a monetary/enforcement approach</p>   | <p>The CBSA utilizes an internal mitigation framework to ensure a fair and consistent monitoring and compliance approach to all carriers in all modes. The CPCC works closely with carriers of all modes to ensure the requirements of ACI/eManifest are clearly understood and can be followed by carriers prior to any ACI monetary penalties being applied. The CBSA will only apply penalties when warranted.</p>   |
| <p>High-volume carriers were subjected more rapidly to level three penalties with no foreseeable return to level one.</p>   | <p>The CBSA has shifted from a penalty-focused approach to a compliance-focused approach seeking to promote adherence to regulations through communication and education.</p> <p>Upon confirming an improvement in compliance, consistent with the compliance framework, the CBSA may opt to assess a penalty at a lower level on a case-by-case basis.</p>   |
| <p>All non-compliant Cargo Control Numbers (CCN) on a single trip were being penalized.</p>   | <p>The CBSA developed an internal mitigation framework that is now used to ensure a fair and consistent monitoring and compliance approach to all carriers in all modes.</p> <p>The CBSA has implemented a 'cap' for C378 – “No pre-arrival cargo/conveyance data on file at time of arrival”. No more than five CCNs and one conveyance reference number (CRN) are penalized per trip.</p>   |
| <p>Rampant system outages/carriers unable to transmit eManifest.</p>  | <p>The CBSA has stabilized all systems and greatly decreased the frequency and longevity of outages.</p>  |
| <p>ACI penalties were issued during periods where CBSA system outages were occurring.</p>   | <p>The CPCC reviews all outage logs prior to proceeding with any enforcement action. Outages from an internal CBSA system outage are reviewed and taken into consideration. Similarly, external outages reported to the CBSA are also considered.</p>   |
| <p>No reports or proactive approach to compliance.</p>  | <p>The CBSA continues to improve its ability to detect and address non-compliance occurring in all modes.</p> <p>The tools used enable the CBSA to proactively contact carriers when repetitive or problematic non-compliance with ACI is occurring. The CPCC works directly with those carriers to improve on data quality and timeliness of transmissions to name a few.</p>  |
| <p>Carriers were unable to comply with ACI/eManifest requirements</p>   | <p>The CBSA consults with carriers to determine the cause of the non-compliance and considers whether a carrier is unable to comply due to systems limitations/required updates.</p> <p>In such cases, the CPCC may initiate an Action Plan with the carrier which will afford the carrier an opportunity, within a prescribed timeframe, to bring their systems/procedures up to date in order to meet their obligations under the <i>Customs Act</i>.</p>   |