



FedEx Regulatory Alerts & Updates

Regulatory Alert: CBSA Assessment and Revenue Management (CARM)

March 4, 2021

CARM is a Canada Border Services Agency (CBSA) multi-year project to simplify and modernize their accounting and data management systems to provide the commercial trade community with a streamlined method of interaction with the CBSA. This will be achieved through the replacement of existing revenue and cash management systems, simplified processes, and direct interactive electronic options.

Where are we now?

The first phase of CARM, the Accounts Receivable Ledger (ARL), was implemented in January 2016. Detailed information on the ARL is available on the CBSA [Commercial Payments and Accounts](#) webpage.

What is changing?

The next phase of CARM will be implemented in two stages:

- **Release (RLS) 1 – May/June 2021**
- **Release (RLS) 2 – May/June 2022**

CARM RLS 1 – The New CARM Client Portal (CCP):

Access to register and create an account in the new portal will be limited to the following industry CBSA trade chain partners (TCPs): importers, customs brokers, and trade consultants.

The portal will enable users to do the following:

- Self-management and payment of monthly statement of accounts (SOAs) and daily notices (DNs)
- Self-Service access to the CBSA Harmonized Tariff Schedule (HTS) Classification Tool and a Duty/Tax Estimator for the classification of goods
- “Delegation of Authority” to grant third-party service providers CCP account access and management of commercial import and clearance processes
- Application for classification rulings

CARM RLS 2 – Additional Changes and CCP Features:

- All TCPs will have access to the CCP
- Release Prior to Payment (RPP) Privilege – Importers will be required to post their own financial security (i.e., surety bond or cash deposit) to maintain their RPP privilege
- The Commercial Accounting Declaration (CAD) – A new electronic (EDI) form that will replace the current form B3 (customs coding form) for the accounting of imported goods with the CBSA
- Electronic submission of entry corrections and adjustments (form B2 will be replaced with CAD version updates)
- New billing cycles and additional payment options
- Business number and CBSA program registration

What do the changes mean for commercial importers (resident and non-resident)?

CARM RLS 1

- **Canadian Business Number (BN).** A valid BN and program account identifier (RM number) will be required when importing goods into Canada.
- **The CARM Portal.** The registration and set-up of a CARM portal user account will be mandatory prior to importing goods into Canada.
- **Delegation of Authority.** Commercial importers who use third-party service providers (e.g., customs brokers) to manage their import processes, must grant them authorization through the CCP. Only authorized customs brokers will be able to perform import clearance and accounting (CAD submission) on behalf of importers. This authorization would be in addition to any current agreement (e.g., power of attorney) required by the third-party service providers. *Note: A commercial importer may authorize multiple customs brokers to manage their import processes.*
- **Obtain a Bond for Release Prior to Payment (RPP) Privilege (must be obtained prior to RLS 2).** Commercial importers will need to post their own financial security (i.e., surety bond or cash deposit) in order to obtain the release of their goods, prior to the accounting and payment of any applicable duties and taxes with the CBSA. The RPP security posted by a customs broker will no longer extend to commercial importers who avail of their services starting **RLS 2**.

Exception: Casual/non-commercial importers (goods are not imported for sale or for business, industrial, commercial, occupational, or other like use) will not be subject to the above new requirements.

CARM RLS 2

- **The Commercial Accounting Declaration (CAD).** This new declaration will replace the current B3 Canada Customs Coding Form for the accounting of imported goods with the CBSA. CAD submission will be required within 5 business days of release for high value shipments (HVS) and low-value shipments (LVS). Accounting for courier low-value shipments (CLVS) will remain unchanged and the CAD for goods released in one month, will be due by the 24th of the following month.
- **Adjustments to the Billing Cycle.** Payment due dates will be aligned, for both HVS and LVS, and will be due ten weekdays (will include statutory holidays) after the 17th of the month, following the month in which the goods were customs cleared.

- **Changes to Formal Corrections and Adjustments.** Requests will be done electronically by providing revisions or updated versions of the original CAD submitted to the CBSA. Moreover, corrections will be interest free up to the new payment date and adjustments (with accompanying supporting documentation) will be accepted after the payment date but maybe subject to CBSA review.

Where can I get more information about CARM?

To assist the commercial trade community in understanding and preparing for CARM, the CBSA has released the [CARM Information Package](#)

The chart below is a summary of the information provided in the package:

Resource Links	Highlights	Target Period
CARM Personas and Guides	Illustrates the changes and benefits of CARM for each Persona (grouping of TCPs)	—
CARM Solution Spotlight	Onboarding the new CARM Client Portal	RLS 1
CARM Client Portal Onboarding		
CARM Solution Spotlight	Key details, steps, and access levels (User roles)	RLS 1
Delegation of Authority		
CARM Solution Spotlight	Summary of changes for each impacted clearance type (e.g., HVS, LVS, CLVS, etc.)	RLS 2
Billing Cycles		
CARM Solution Spotlight	New Release Prior to Payment (RPP) requirements	RLS 2
Financial Security		
CARM Solution Spotlight	Changes to formal corrections and adjustments	RLS 2
Commercial Accounting Declaration		
CARM Fact Sheets		
	CARM benefits, changes, and timelines	—

For any questions about the program and to register for future CARM-related events and communications, please email cbsa.carm_engagement-engagement de la gcra.asfc@cbsa-asfc.gc.ca.

What can commercial importers do now to help prepare for CARM?

1. [Register](#) for a Canadian Business Number (BN) and program account identifier (RM number) with the Canada Revenue Agency (CRA), if you do not have one.
2. Acquire a [GCKey](#) (a unique electronic credential issued by the Government of Canada for use with online Government services) or click [here](#) to confirm that your financial institution is a participating [Sign-In Partner](#), in order to create a user account for the new CCP.

3. Read CBSA [Memorandum D17-1-8](#) for more information on how to obtain a bond for RPP.
4. Visit the CARM Homepage to keep updated with the latest information <https://www.cbsa-asfc.gc.ca/prog/carm-gcra/menu-eng.html>

FedEx and other industry TCPs are in consultation with the CBSA to identify opportunities for further innovation and improvement on the current import accounting processes and CBSA clearance options. We will be providing updates as more information becomes available on fedex.ca/CARM.

Additional Resources:

[CBSA CARM Introductory Video](#)

[CBSA CARM Infographic](#)

[CARM Contact Card](#)

References:

CBSA Commercial Payments and Accounts

<https://www.cbsa-asfc.gc.ca/prog/arl-glcc/menu-eng.html>

CARM Informational Package

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_CARM-Information-Package_regulatory.pdf

CARM Trade Chain Partner Personas and Guide

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_3.0-CARM-Personas-and-Guide_regulatory.pdf

CARM Solution Spotlight – CARM Client Portal Onboarding

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_2.1-CARM-Client-Portal-Onboarding_regulatory.pdf

CARM Solution Spotlight – Delegation of Authority

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_2.2-Delegation-of-Authority_regulatory.pdf

CARM Solution Spotlight – Billing Cycles

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_2.3-CARM-Billing-Cycles_regulatory.pdf

CARM Solution Spotlight – Financial Security

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_2.4-CARM-Billing-Cycles_regulatory.pdf

Commercial Accounting Declaration

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_2.5-CARM-Commercial-Accounting-Declaration_regulatory.pdf

CARM Fact Sheets

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_5.0-CARM-Fact-Sheet_regulatory.pdf

How to Register for a Business Number or Canada Revenue Agency Program Accounts

<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/registering-your-business/register.html>

My Service Canada Account – Register with GCKey

<https://www.canada.ca/en/employment-social-development/services/my-account/gckey.html>

List of Sign-In Partners

<https://www.canada.ca/en/revenue-agency/services/e-services/cra-login-services/list-sign-partners.html>

Using a Sign-In Partner

<https://www.canada.ca/en/revenue-agency/services/e-services/cra-login-services/sign-partners-help-faqs/using-a-sign-partner.html>

Memorandum D17-1-8

<https://www.cbsa-asfc.gc.ca/publications/dm-md/d17/d17-1-8-eng.html>

CBSA Assessment and Revenue Management Project

<https://www.cbsa-asfc.gc.ca/prog/carm-gcra/menu-eng.html>

CARM Updates

<https://www.fedex.com/en-ca/shipping-services/international/regulatory/carm.html>

Introducing CARM – Video

<https://www.cbsa-asfc.gc.ca/multimedia/carm-gcra/menu-eng.html>

CARM Infographic

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_6.0-CARM-Infographic_regulatory.pdf

CARM Contact Card

https://www.fedex.com/content/dam/fedex/ca-canada/MVP/downloads/CA_EN_2020_12_web_pdf_7.0-CARM-Contact-Card_regulatory.pdf

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