



MAY 2007

TRADE NEWS UPDATE



Talks end for shared border concept

Plans to relocate U.S. Customs inspectors to the Canadian side of the Peace Bridge (one of the busiest crossings between the US and Canada) ended recently after Homeland Security Secretary Michael Chertoff broke off discussions with Canada.

Homeland Security concerns included issues with Canada's civil rights charter that could hamper investigative and targeting techniques.

The Shared Border Management program has been in development since 2004 between the governments of Canada and the United States.

ACE Update



On April 13, 2007, U.S. Customs and Border Protection (CBP) published a [Federal Register Notice](#) establishing the mandatory use of ACE electronic Manifest (eManifest) at all land border ports the states of New Hampshire and Vermont, as well as the ports of St. John, Fortuna, Ambrose, Carbury, Noonan, Dunseith, Sherwood, Antler, Northgate, Westhope, and Portal in the state of North Dakota. This notice established July 12, 2007, as the effective date for establishment of ACE eManifest as the approved data interchange for transmission of advance electronic cargo information to CBP.

These enforcement actions are based on the implementing regulations of the Trade Act of 2002 for truck carriers found in the Code of Federal Regulations, Title 19, Part 123.92 [19 CFR 123.92](#)

This regulation requires that advanced electronic cargo information, in the form of an eManifest, be provided to CBP one hour (thirty minutes for FAST) prior to the arrival of the conveyance in the first U.S. port of arrival. This rule includes goods moving under bond between U.S. ports of entry as well as goods moving in transit through the U.S.

Enforcement discretion will take place in the following phases:

Phase 1

Beginning July 12, 2007, CBP will begin to exercise enforcement discretion in the form of an informed compliance period of at least 60 days. This period may be extended based on system performance issues and operational readiness. During this period CBP Officers working in primary lanes will provide an informed compliance notice to the driver of any conveyance that fails to meet the requirement.

Phase 2

Beginning no earlier than September 12, 2007, CBP will deny a permit to proceed into the U.S. to any carrier, required to submit an eManifest, which arrives without submitting or attempting an eManifest. CBP Officers may accept the ACE eManifest cover sheet as initial proof of this attempt. Prior to the beginning of this phase, CBP Officers will also be provided with a process they can use to check for transmission attempts by carriers. Validation of eManifest participation should ideally take place in a secondary inspection environment.

Phase 3

Beginning no earlier than October 12, 2007, and continuing as ongoing Trade Act enforcement, CBP will deny a permit to proceed into the U.S. for any truck, required to submit an eManifest, that arrives at one of the ports covered under this memorandum without first successfully transmitting an eManifest for that trip. For egregious violations, a monetary penalty (\$5000 for the first offence and \$10,000 for subsequent offences) may be issued to the driver in care of the carrier under 19 USC 1436. Egregious violators are defined as those carriers that make no attempt to comply with the requirements.

Additional Phases

Once CBP achieves substantial compliance with the requirements to file manifests, additional phases will be announced for enforcement of other Trade Act elements including timeliness of submission, accuracy of data and completeness of manifests.

Latest Canada – U.S. Trade Statistics

www.strategis.gc.ca



Title	Canadian Exports
Products	Total for All Products
Origin	CANADA
Destination	United States (U.S.)
Units	Value in Millions of Canadian Dollars
Jan 2007	30,592
Feb 2007	28,527

Title	Canadian Imports
Products	Total for All Products
Origin	United States (U.S.)
Destination	CANADA
Units	Value in Millions of Canadian Dollars
Jan 2007	17,318
Feb 2007	17,819

Ready for that Customs audit?

Are you using multiple carriers and brokers to handle your imports? Are you having trouble controlling your database and NAFTA certificates? What about valuation? It may be time to review your processes to ensure a future US or Canadian Customs audit does not negatively affect your business.

For Canada there is a new [AMPS tip guide](#) available

For the U.S. start with the [ABC's of Prior Disclosure](#)



FYKE TRADING & LOGISTICS
TORONTO BUFFALO FORT ERIE

WWW.FYKELOGISTICS.COM

Whether your needs include LTL, FTL, Rail Transportation, US and/or Canadian Customs Brokerage services, warehousing and distribution or International Freight Forwarding, when you need it our team of experts are waiting.