

November 4, 2004

**MEMORANDUM OF UNDERSTANDING  
FOR CARRIERS AND SERVICE PROVIDERS EXPORT REPORTING  
BETWEEN**

**COMPANY NAME**

**AND**

**CANADA BORDER SERVICES AGENCY**

**AIMED AT PROMOTING THE REPORTING AND  
CONTROL OF EXPORTED GOODS**

[Effective Date]

## INTRODUCTION

1. The purpose of this Memorandum of Understanding (MOU) is to create a cooperative process to ensure that, except under certain conditions as defined in Appendix B, and as may be authorized by the *Customs Act* and/or the *Reporting of Exported Goods Regulations* (Regulations) all goods to be exported are reported to the Government of Canada prior to export.
2. This MOU is aimed at enhancing the Canada Border Services Agency's (CBSA) ability to prevent the export of unreported goods and contraband. *Participation in this MOU is an acknowledgement of the commitment of COMPANY NAME to ensure that they are compliant with Canadian export reporting regulations and that they equally secure the compliance of their clientele to jointly facilitate and expedite export shipments to their mutual benefit.\**
3. Recognizing that export trade has increased significantly in recent years;
4. Recognizing that part of the CBSA's mandate is to control the export of controlled, regulated and prohibited goods, contraband and goods destined to embargoed countries;
5. Recognizing that this MOU represents a non-binding administrative arrangement between COMPANY NAME and the CBSA;
6. And, recognizing that the export of goods must be reported by exporters, carriers, and customs service providers, as per section 2 of the Regulations, within the meaning of sections 11 and 13 of the Regulations. These requirements are found in appendix C.

The CBSA and COMPANY NAME make the following commitments:

### COMMITMENTS: CBSA

7. For each port of exit listed by COMPANY NAME, the CBSA will provide and periodically update, as appropriate, a list contact numbers. (Appendix D)
8. The CBSA could provide to COMPANY NAME material that COMPANY NAME may disseminate to its customers on the consequences of smuggling controlled, regulated and prohibited goods. The CBSA could also provide related material designed to improve COMPANY NAME capacity to detect potential smuggling activities.

\* - Applies only to Service providers

9. In addition, the CBSA will:

- Provide information to **COMPANY NAME** on the application of new customs legislation or changes to existing regulations and procedures related to exporting of goods and export contraband issues in a timely manner; This information will be provided through customs notices and updates to the export website.
- Provide general information on penalties for customs-related offences to **COMPANY NAME** for dissemination to their clients; and

**COMMITMENTS: COMPANY NAME**

10. **COMPANY NAME** will, in collaboration with the CBSA, inform its customers of exporter obligations, and encourage its customers to report electronically and refer exporters requiring additional information regarding exports to the Regional Client Services Section of the CBSA.
11. **COMPANY NAME** will provide to the CBSA, Admissibility Branch, the name and telephone number of a contact person in each of its districts, and of a contact person at its corporate headquarters for coordination purposes.
12. **COMPANY NAME** will only load for export, those goods for which the exporter has provided to **COMPANY NAME**, directly or indirectly, documentary evidence that the reporting requirements under the Regulations have been, or will be, met.
13. The documentary evidence referred to in paragraph 12 of this MOU which will be deemed sufficient by the CBSA to determine that the reporting requirements have been or will be met includes any one of the following proof of report numbers listed in Appendix A.
  - Canadian Automated Export Declaration (CAED);
  - G7 Electronic Data Interface (EDI);
  - Summary Reporting;
  - Manual B13A

In the case of goods for which no export report is required under Regulations, **COMPANY NAME** will include on the export manifest/bills of lading an indication as provided by the exporter or its service provider that **No export Declaration was Required. (NDR)**. When NDR is stated and in order to expedite the movement of the shipments, it is preferable that the carrier record sufficient details of the shipment's contents on the cargo report to indicate why a declaration is not required. Alternatively, if the carrier wishes to eliminate this detail, he may reference the number that applies to the exemption. This reference number can be obtained from the list of exemptions found in Appendix B.

14. **COMPANY NAME** will provide to the CBSA evidence of proof of report listed in paragraph 13 of this MOU that is necessary to satisfy the CBSA that the goods transported for export by **COMPANY NAME** have been reported to the Canadian government in accordance with the Regulations.
15. **COMPANY NAME** is not required to verify the accuracy of the documentation provided to it by the exporter under paragraph 13 of this Memorandum. In the case of in-transit cargo, the exporting carrier will record the cargo control number used to import the shipment into Canada to the place it is to be exported. This number is to be recorded on the cargo control documents used to export the goods.
16. Except for bulk cargo **COMPANY NAME** will provide the exporter directly or indirectly with a transportation document number, for each export shipment.

### **JOINT MEASURES**

17. BOTH PARTIES WILL:

- ◆ Appoint liaison representatives who will meet regularly to discuss the progress of the MOU, exchange the specified information and, on an annual basis, review the effectiveness of the MOU.
- ◆ Both parties will encourage and promote an open and ongoing dialogue between appropriate staff members.

18. This MOU shall take effect on the later of the day the amended Regulations come into force or the date of signing, and is subject to termination by either party upon 30 days written notice.

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**IN WITNESS WHEREOF**, this Memorandum of Understanding was signed, in duplicate, each version being equally authentic, by

\_\_\_\_\_ On, day/month/year  
CBSA representative  
Title  
Canada Border Services Agency

for and on behalf of the Minister of Public Safety and Emergency Preparedness, and by,

\_\_\_\_\_ On, day/month/year  
**CONTACT NAME**  
**TITLE**  
**CITY, PROVINCE, POSTAL CODE**  
**TELEPHONE NUMBER WITH AREA CODE**

for and on behalf of **COMPANY NAME.**

COPY

## Export Reporting Proof of Report

- **Canadian Automated Export Declaration (CAED)** – Licence, Authorization and Form ID numbers

- The licence number composed of two numeric/ 1 alpha/3 numeric. e.g. 12X543;
- The Authorization ID composed of 2 alpha/4 numeric digits e.g. SC1234; and
- The form ID composed of the year/month/five-digit systems generated sequential transaction number which refers to the number of shipments exported during the year. e.g. 20041100546.

The carrier will notate this information (proof of report) on the bills of lading or air waybills. e.g. 12X543SC123420041100546

- **G7 Electronic Data Interface (EDI)** – Licence and Form ID numbers.

- The licence number composed of two numeric/ 1 alpha/3 numeric. e.g. 12X543;
- The form ID composed of the year/month/five-digit systems generated sequential transaction number which refers to the number of shipments exported during the year. e.g. 20041100546.

The carrier will notate this information (proof of report) on the bills of lading or air waybills, e.g. 12X54320041100546;

- **Summary report ID number  
SUM and four-digit number**

The carrier will notate this information (proof of report) on the bills of lading or air waybills, e.g. SUM0567

- **B13A Export Declaration Form** - Customs transaction number

Stamp Machine and manual customs stamp year/month/day/24 hr clock/port number in smaller digits/six-digit number.

The carrier will notate this information (proof of report) on the bills of lading or air waybills, e.g. 2004/11/01/ 13 :00 395 000235

- **In-Transit Cargo**

The exporting carrier must supply a cargo control number for all in bond shipments on the A6A or A8A at the place of exit.

e.g. 77YY 00628129

**No Declaration Required (NDR)** - NDR refers to information in the description of the shipment that allows an officer to determine that no declaration is required. Either indicate the details of the exemption or use the NDR reference numbers in Appendix B.

e.g., NDR - goods for US consumption or NDR (1)

## Exceptions to Export Reporting-No Declaration Required (NDR)

The following goods and/or technologies do not have to be reported on an export declaration unless their exportation is controlled, regulated or prohibited by any Act of Parliament. If the goods and/or technologies are restricted, the appropriate permit must also be presented. However, if at the time of exportation an officer suspects, on reasonable grounds, that the goods are being exported contrary to an Act of Parliament, then the officer may request that the goods be reported in writing by presenting Form B13A Export Declaration.

These exceptions to reporting by an exporter are found in section 6 of the Regulations and are further explained in D-20-1-1.

1. goods exported for consumption in the United States;
2. commercial goods having a value of less than \$2,000 Canadian;
3. personal and household effects, other than those of an emigrant, that are not for resale or commercial use;
4. conveyances that would, if they were imported, be classified at the time of importation under any of tariff item Nos. 9801.10.00, 9801.20.00 or 9801.30.00 in the List of Tariff Provisions set out in the schedule to the *Customs Tariff*;
5. cargo containers that would, if they were imported, be classified at the time of importation under tariff item No. 9801.10.00 in the List of Tariff Provisions set out in the schedule to the *Customs Tariff*;
6. reusable skids, drums, pallets, straps and similar goods used by a carrier in the international commercial transportation of goods;
7. goods exported by diplomatic embassy or mission personnel for their personal or official use;
8. personal gifts and donations of goods, excluding conveyances;
9. goods that were imported into Canada and are exported from Canada after being transported in transit through Canada en route to a non-Canadian destination;
10. goods that were manufactured or produced in Canada and that are exported from Canada for the purpose of being transhipped through another country to another Canadian destination;
11. goods exported for repair or warranty repair that will be returned to Canada;
12. goods for use as ships' stores by a Canadian carrier;
13. goods manufactured or produced outside Canada and removed for export from a bonded warehouse or sufferance warehouse;
14. goods, other than goods exported for further processing, that will be returned to Canada within 12 months after the date of exportation;
15. goods being exported on behalf of Department of National Defence or due to an emergency will report orally according to section 15 of the export regulations; and,
16. goods reported on a Form E15 Certificate of Destruction/Exportation for temporary export

## Reporting of Exported Goods Regulations (2004)

**Section 2.** For the purposes of subsection 95 of the *Customs Act*, the following classes of persons are required to report goods that are exported:

- (a) exporters;
- (b) carriers; and
- (c) customs service providers.

**Section 11.** Goods that are imported into Canada and are exported from Canada after being transported in transit through Canada en route to a non-Canadian destination shall be reported in writing by the carrier before the goods leave Canada

- (a) if the goods are exported by mail, at the export reporting office located closest to the post office where the goods are mailed;
- (b) if the goods are exported by vessel, at the export reporting office located closest to the place where the goods are loaded aboard the vessel for export;
- (c) if the goods are exported by aircraft, at the export reporting office located closest to the place of departure of the aircraft from Canada;
- (d) if the goods are exported by rail, at the export reporting office located closest to the place where the railcar on which the goods are loaded is assembled to form part of a train for export; and
- (e) if the goods are exported by any other means, at the export reporting office located nearest the place of exit of the goods from Canada.

**Section 13.** (1) Subject to subsection (4), goods that are exported by a carrier by means of a conveyance other than a highway conveyance and that have been or will be reported by the exporter in accordance with these Regulations may be reported by the carrier after their exportation if the carrier

- (a) has, before the exportation, given an undertaking in writing to an officer that the carrier is exporting only such goods; and
- (b) has on that basis been authorized in writing by that officer to report the goods in accordance with this section.

(2) Goods referred to in subsection (1) shall be reported by the carrier in writing at an export reporting office



(a) if the goods are exported by vessel, within three business days after the departure of the vessel from the place in Canada where it is loaded;

(b) if the goods are exported by rail, within one business day after the day on which the railcar on which the goods are loaded is assembled to form part of a train for export; and

(c) if the goods are exported by aircraft, within one business day after the day on which the aircraft departs from the place in Canada where it is loaded.

(4) Goods referred to in subsection (1) shall be reported in writing by the carrier at an export reporting office before the goods leave Canada if an officer, at the time of the exportation, suspects on reasonable grounds that they are being exported contrary to an Act of Parliament and, for that reason, requests that they be reported.