

Frequently asked questions regarding the importation of new Canadian specification trailers, under Transport Canada's pre-clearance program.

Transport Canada is issuing this list of frequently asked questions to provide background information and further details to assist vehicle importers in understanding their legal responsibilities under the Motor Vehicle Safety Act.

Background:

The Motor Vehicle Safety Act (MVSA) was passed in Parliament in 1971 as an Act to regulate the manufacture and importation of motor vehicles to reduce the risk of death, injury and damage to property or the environment.

It applies to importers of new and used vehicles into Canada and manufacturers of new vehicles that are offered for sale in Canada. The regulations that are enabled by the *Act* are referred to as Canada Motor Vehicle Safety Standards (CMVSS) and they apply to all vehicles designed to operate on the public roads, from motorcycles through to trucks and trailers.

These regulations are based on standard engineering practices, and they are considered as the minimum safety standards that all road vehicles must comply with to provide a safe operating environment for the public. It is unlawful to manufacture a vehicle for sale in Canada unless it complies with all the applicable regulations under the *Motor Vehicle Safety Act*.

Transport Canada is the governmental department that is assigned to enforce provisions of the *Motor Vehicle Safety Act (MVSA)*. Any person that contravenes any provision of the *Act* could be liable to a fine not exceeding \$10 000 and imprisonment. Any company that contravenes any provision of the *MVSA* could be liable to a fine not exceeding \$1 000 000.

As an importer, what are my obligations?

As an importer your obligations are in fact the same as a manufacturer. Section 5 of the *MVSA* states that no company shall import any vehicle or equipment of a prescribed class unless the vehicle or equipment conforms to the standards prescribed for vehicles or equipment of its class at the time the main assembly of the vehicle was completed or the equipment was manufactured.

As an importer, how do I import vehicles from a foreign manufacturer?

To import vehicles from a foreign manufacturer the Canadian importer and the foreign manufacturer must be included in the pre-clearance system and listed on Appendix G of the Canada Border Services Agency (CBSA) Memorandum D-19-12-1.

Who is the Canada Border Services Agency (CBSA)?

Canada Border Services Agency (CBSA) was previously called Canada Customs and Revenue Agency (CCRA). The CBSA website is www.cbsa-asfc.gc.ca

What is the pre-clearance system?

The pre-clearance system is essentially a “contract” between Transport Canada, the Canadian importer and the foreign manufacturer. Under the pre-clearance system, authorized Canadian importers can avoid the cost and inspection of the Registrar of Imported Vehicles (RIV) system, if the Canadian importer purchases Canadian specification vehicles directly from the foreign manufacturer. The foreign manufacturer must have a certification program in place, which ensures that all the vehicles produced for Canada complies with the applicable Motor Vehicle Safety Regulations (MVSR). The Canadian importer ensures that only the Canadian specification vehicles from the foreign manufacturer are imported under this pre-clearance “contract”.

What is Appendix G?

Appendix G is a list that Canada Border Services Agency (CBSA) will use to verify if a Canadian importer and a foreign manufacturer are included in Transport Canada’s pre-clearance system. Appendix G indicates the name of the foreign manufacturer and the types of vehicles that the Canadian importer is authorized to import. CBSA will have a copy of Appendix G at every border crossing. A copy of appendix G can also be obtained from the Transport Canada website (www.tc.gc.ca).

How does an importer and a foreign manufacturer become included in the pre-clearance system?

1. Working with the foreign manufacturer, gather and submit to Transport Canada all the applicable information listed in the document titled “Request Form For a Foreign Trailer Manufacturer to Register With Transport Canada”.
2. If the information submitted demonstrates that the foreign manufacturer has a certification program in place, Transport Canada will register the foreign manufacturer.
3. The Canadian importer must also complete the form titled “Application for entry into the Transport Canada vehicle importation pre-clearance system for new Canadian specification vehicles” and send or fax it in to Transport Canada.
4. The Canadian importer and the foreign manufacturer will then be placed on Appendix G of Customs memorandum D19-12-1. The Canadian importer will also receive a pre-clearance letter as confirmation of this inclusion.

5. When the Canadian importer arrives at the border with the foreign manufactured vehicles, the Canadian importer must complete the Vehicle Import Form - Form 1 and present it to Canada Border Services Agency (CBSA). CBSA will also require that you present your pre-clearance letter so they may verify if you are a registered importer.

Regarding item 2 above, how do I know what applicable standards the imported vehicles must comply with?

You must read Schedule III of the MVSR and look for an “X” in the column that refers to the class of vehicle that your company intends to import. Where an “X” is present, you must read the standard and verify if the standard does in fact apply to the vehicles being imported. Schedule III and the definitions for the classes of vehicles that Transport Canada regulates, can be viewed at the Transport Canada website under the MVSR section.

<http://www.tc.gc.ca/acts-regulations/GENERAL/M/mvsa/menu.htm>

What is a pre-clearance letter?

The pre-clearance letter is issued to a Canadian importer and indicates the name of the foreign manufacturer and the types of vehicles that the Canadian importer is authorized to import. Since Appendix G is only updated every 90 days, the pre-clearance letter must be presented to Canada Border Services Agency (CBSA) at the time of importation for a period of 90 days from the date of issuance. After 90 days, the information will be placed on Appendix G.

Note: Canadian importer must declare at the time of importation that they are listed on Appendix G, using a Vehicle Import Form - Form 1.

What is a Vehicle Import Form - Form 1?

Transport Canada requires that a “form 1” be completed and presented to Canada Border Services Agency (CBSA) when a new or used vehicle is imported into Canada. The “form 1” is used to keep track of all vehicles imported into Canada. The Provinces also require the “form 1” as a condition of first time registration.

If my company intends to import trailers that are equipped with air brakes, what extra information is required?

Working with the foreign manufacturer, gather and submit to Transport Canada the information listed in question 7 the document titled “Request Form For a Foreign Trailer Manufacturer to Register With Transport Canada”. Transport Canada will use this information to determine if the foreign manufacturer’s vehicle production complies with the Canada Motor Vehicle Safety Standard (CMVSS) 121 – Air Brake Systems. These records of testing are just a sample of the foreign manufacturer’s air brake certification capability. The foreign manufacturer must be capable of keeping these records current to reflect any changes in the foreign manufacturer’s vehicle production.

If the Canadian importer or the foreign manufacturer are unsure of the air brake documents that are required to be submitted, various consulting agencies and trade associations can provide you with assistance.

What extra information is required for flat deck trailers with a GVWR of 10 000 kg or more?

Working with the foreign manufacturer, gather and submit to Transport Canada the information listed in question 6 the document titled “Request Form For a Foreign Trailer Manufacturer to Register With Transport Canada”. Transport Canada will use this information to determine if the foreign manufacturer’s vehicle production complies with the Canada Motor Vehicle Safety Standard (CMVSS) 905 – Trailer Cargo Anchoring Devices. These records of testing are just a sample of the foreign manufacturer’s certification capability. These records must be kept current to reflect any changes in the foreign manufacturer’s vehicle production.

Foreign manufacturers should ensure that their certification tests are conducted at levels higher than the standard to allow for equipment limitations and manufacturing tolerances.

How long does it take to become registered with Transport Canada?

The time it takes to process an application depends on the quality of the application provided. Complete applications will be processed sooner than applications with missing information. Complete applications may take three to six weeks.