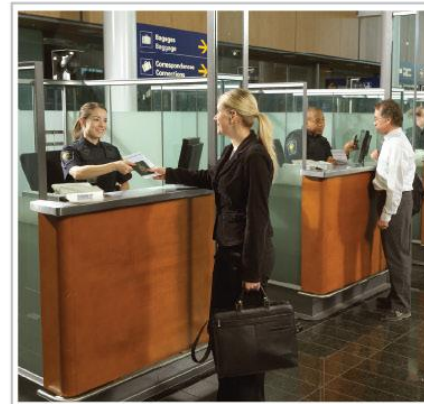


Highway Carrier Implementation Conference Call

Webinar
Oct 3th, 2013



Requirements for Secondary Carriers vs. Requirements for Carriers with Contracts of Exclusivity

Requirements for Secondary Carriers

Background

- Highway Carriers may contract with other carriers (secondary carriers) to transport goods on their behalf. (*D-Memo3-4-2 Highway Cargo - Import Movements*)
- This type of movement is commonly referred to as Brokered Loads.
- Carriers that participate in this type of movement (e.g. brokered loads) can move freight for other carriers, including their own company.

Carrier Roles

Primary Carrier

- Maintains full liability for the goods until they reach their destination.
- Retains books and records for proof of cargo release

Secondary Carrier

- Represents the carrier that is physically transporting the goods to Canada and is liable to report the goods at the First Point of Arrival (FPOA).
- Retains books and records for proof of conveyance report. (must retain stamped conveyance report number/lead sheet).

eManifest Requirements

Primary Carrier

- Responsible for the submission of the eManifest cargo data
- Their carrier code must be associated to the cargo submission
- Transmit via EDI or Portal

Secondary Carrier

- Responsible for the submission of the eManifest conveyance data
- Their carrier code must be associated to the conveyance submission
- The conveyance submitted by the Secondary Carrier will quote the cargos submitted by the Primary Carrier
- Transmit via EDI or Portal

eManifest Requirements

The eManifest section of the CBSA Website states:

eManifest Processing of Highway Carrier Conveyance Data (Conveyance Reference Number) at the First Point of Arrival

- The first four digits of the Conveyance Reference Number (CRN) must be the carrier code representing the carrier that is physically transporting the goods to Canada and reporting the goods at the First Point of Arrival (FPOA).
- This carrier has the statutory obligation under section 12.(1) of the Customs Act to provide advance information to the CBSA and the statutory obligation under section 12.(1) of the Customs Act to report the goods.
- These statutory obligations cannot be shifted from one carrier to another.
- The carrier code of the carrier transporting the goods must always be represented in the CRN, regardless of which party transmitted the related cargo data.
- A carrier arriving at FPOA using another carrier's code in their CRN is not acceptable.

<http://www.cbsa-asfc.gc.ca/prog/manif/requirements-exigences-eng.html#s8x4b>

Primary Carrier submits Conveyance Data on behalf of Secondary Carrier

EDI

The Secondary Carrier must advise the TSU of authorization for a Primary Carrier to transmit their trade data

- This authorization will allow the TSU to consult the Primary Carrier should there be transmission issues/rejects
- With said authorization, the Primary Carrier will be able to transmit their own cargo information as well as the conveyance information under the Secondary Carrier's carrier code

Portal

- The Secondary Carrier would be required to provide the Primary Carrier with specific* access to their eManifest Portal Business Account, which would allow the Primary Carrier to submit the conveyance data under the Secondary Carrier's carrier code

*The Primary Carrier would require an account user role of either 'Account User' or 'Proxy Account Owner', within the Secondary Carrier's Portal Business account, in order for them to have the ability to create/submit/edit/save a Trade Document on their behalf (refer to the eManifest Portal User Guide, section 2.5.4, for user role definitions)

Documentation Required At Arrival

- Under eManifest, a Letter of Authorization (LOA) will no longer be required to be presented to the Border Services Officer (BSO) at arrival.
- Authorization to transport goods on behalf of another carrier is achieved by the Secondary Carrier submitting a conveyance and linking cargo submitted by the Primary Carrier.

Requirements for Carriers with Contracts of Exclusivity

Background

- A contract of exclusivity signifies that a carrier, regardless of signage or which logo is on the truck, is actually a representative of the Primary Carrier.
- Carriers working exclusively under contract with another carrier are commonly referred to as Owner Operators/Partner Carriers.
- The contract must be for a specified period of time. (one trip, one month, or one year)
- During the contract period, the contracted carrier must not use equipment designated to work exclusively to this carrier to move freight for any other Carrier, including their own company.

Carrier Roles

Primary Carrier

- Maintains full liability for the goods until they reach their destination.
- Represents the carrier that is physically transporting the goods to Canada and is liable to report the goods at the First Point of Arrival (FPOA).
- Retains all books and records for proof of both conveyance report and cargo release.

eManifest Requirements

Primary Carrier

- Responsible for the submission of the eManifest cargo and conveyance data
- Their carrier code must be associated to the cargo and conveyance submissions
- Transmit via EDI or Portal

Documentation Required At Arrival

- Upon request by a Border Services Officer (BSO), the carrier must be able to present a copy of the contractual agreement as proof of the relationship when crossing the border on behalf of the Primary Carrier.
- The contract must stipulate that the contracted carrier is operating under an exclusive equipment contract with the Primary Carrier.