



WHAT YOU NEED TO KNOW ABOUT **CARM: KEY CHANGES FOR COMMERCIAL IMPORTS INTO CANADA**

The Canada Border Services Agency (CBSA) Assessment and Revenue Management – or CARM – is a multi-year initiative that is transforming the way the CBSA manages commercial goods being imported into Canada, including collection of duties and taxes.

Who is impacted?

All CBSA trade partners, including: Importers, Customs Brokers, Trade Consultants, Surety Companies, Carriers, Foreign producers/exporters and industry professionals (e.g., lawyers, accountants, shipping agents)

What exactly is CARM?

This is a project launched by the CBSA to simplify and modernize their accounting and data-management systems. The goal is to help organizations involved in commercial trade more easily interact with the CBSA – by replacing existing revenue and cash-management systems, streamlining processes and introducing direct interactive electronic options.

The first phase of CARM – (Release (RLS) 0), involved the Accounts Receivable Ledger (ARL) and was implemented in January 2021. Detailed information on the ARL is available on the [CBSA Commercial Payments and Accounts webpage](#).

The next phase of CARM is being implemented in two stages:

Release (RLS) 1 – May/June 2021

As of May 25, 2021, the new [CARM Client Portal \(CCP\)](#) was launched for use by importers, Customs brokers and trade consultants, who will be required to register and create an account on this site to deal with:

- Delegation of authority to Customs brokers by importers allowing brokers to continue managing their commercial importation activities (e.g., duty and tax assessment with the CBSA)
- Self-management and payment of monthly statement of accounts (SOAs)
- Self-service access to the CBSA Harmonized Tariff Schedule (HTS) classification and duty/tax estimator tools
- Application for and tracking of Customs rulings

Release (RLS) 2 – May/June 2022

Additional CCP features and functionality will include the following:

- All CBSA trade chain partners (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)** – This new digital document 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 are the key changes for commercial importers?

- **Canadian Business Number (BN)**

New importers will now have to acquire a valid BN and Import-Export (RM) program account number before importing goods into Canada.

(For more on this process, please visit the [Canada Revenue Agency \(CRA\) website](#))

Once RLS 2 begins, importers will have to apply for BN and RM numbers directly through the CCP

- **CCP Registration**

All business with the CBSA will be done through the new CCP.

In order to continue their commercial importation activities, importers will have to set up a CCP business account prior to RLS 2 – which will require designation of a Business Account Manager (BAM)

For more information, please review the new CBSA [Information Sheet for Registering a Business on the CARM Client Portal \(CCP\)](#)

- **Delegation of Authority**

The BAM must grant this authorization to their third-party service providers (e.g. Customs brokers) via the CCP, enabling them to manage their commercial importation activities. After RLS 2, only importers' delegated customs broker(s) will be able to perform customs entry filing and duty and tax assessment services on their behalf. This delegation is an additional requirement and does not replace the current requirement for a Power of Attorney (POA) or General Agency Agreement (GAA) to authorize a customs broker to act on behalf of an importer.

- **Obtain an RPP Bond.** Commercial importers will be required to post their own financial security (i.e., surety bond or cash deposit) with the CBSA for the release of their goods, prior to accounting and payment of all applicable duties and taxes. Any RPP security paid by a Customs broker will no longer extend to commercial importers who use their services as of RLS 2.

What are the benefits of retaining DHL as your Customs broker?

1) Ensure Compliance

Customs laws and regulations are complex and entangled with bureaucratic processes. As your designated Customs broker, DHL is very familiar with the most recent changes and can advise you on any mandatory documents required. DHL acting on your behalf will also ensure the proper classification of goods as we process shipments for release and import entries in a compliant and timely manner aligned to the regulatory requirements of CBSA and other relevant government departments. We will also offer ongoing guidance and support with CARM as well as other regulatory changes that may come up. We at DHL Express will help you conduct your business as usual like we do today.

2) Global Scale, Local Presence

Working with a licensed customs broker such as DHL – one that has a global governance structure and a strong local presence – will help guarantee that you enjoy the same level of service that DHL prides itself on globally.



3) Seamless Clearance

The level of knowledge and experience of a Customs broker such as DHL is invaluable, as familiarity generally translates into greater efficiency in clearing goods. Our services will ensure that we are able to deliver your shipments in line with the Express service need you entrusted us with.

How do I prepare for CARM? (Link CBSA resources)

For additional information on CARM, please refer to the resources provided below by CBSA below:

<https://ccp-pcc.cbsa-asfc.cloud-nuage.canada.ca/en/onboarding-documentation>

CARM is a multiyear project and the first steps for you to take over the coming months are registration and delegation of authority to your broker. DHL is here to support you through the journey. Be on the lookout for our next communication where we will be detailing the next steps to take and latest updates on CARM.

Here at DHL, we understand that your choice of designated Customs broker is critical to the success of your organization. That's why we appreciate the opportunity to serve in this role, and we look forward to helping you grow your business moving forward.

If you have any questions, please drop us a note on DHLCARMSupport@dhl.com and we will be happy to assist.