

Electronic Custom Filing Systems

Canada and U.S. Use Technology to Streamline Customs Filing Process

Redundant paperwork and overlapping regulatory jurisdictions are among the top concerns expressed regularly by the U.S. and Canadian trade communities. Given the importance of the U.S.-Canada trade relationship, with [almost \\$660 billion](#) in goods crossing the border during 2014, it is essential for each country to streamline its customs processes as much as possible. Trade facilitation is a key goal of the United States' Automated Commercial Environment (ACE) and Canada's Advance Commercial Information (ACI) programs. To learn more about these programs, please click [here](#) to download a new white paper from Purolator International, *"Electronic Customs Filing Systems: Overview of U.S. Automated Commercial Environment and Canada's Advance Commercial Information Programs."*

Automated Commercial Environment (ACE) – U.S. Customs Border Protection (CBP)

ACE is the "backbone" of CBP's trade processing system, and when fully functioning, it will provide a single venue through which all import and export data will be filed. ACE will also be an integral part of U.S. border security efforts. Since shippers will be required to provide advance cargo information, CBP agents can focus resources on potentially hazardous products. ACE will be an entirely electronic web-based solution through which businesses can enter shipment data either directly into a customized "ACE portal" or through a compatible electronic data interchange (EDI) system. Data will be entered into ACE once and, from there, will be disseminated to all appropriate agencies.

When will ACE Take Effect?

CBP [announced](#) three "mandatory dates" upon which members of the trade community will be required to begin filing electronic data to ACE:

- **May 1, 2015:** Mandatory use of ACE for all electronic manifest filings. This requirement extends to all modes of transportation – air, rail, ocean, and truck.
- **November 1, 2015:** Mandatory use of ACE for all electronic cargo release and related entry summary filings. This includes any data that extends to the jurisdiction of Partner Government Agencies (PGAs), also known as Other Government Departments (OGDs).
- **October 1, 2016:** Mandatory use of ACE for all remaining portions of the CBP cargo process.

By the end of 2016, ACE will become the Single Window – the primary system through which all import and export information will be transmitted to the government and from which the government will base admissibility.



ACE and ACI offer a streamlined data filing process while also serving as cornerstones of U.S. and Canadian border security efforts.

How Do You Participate?

Technology is key to ACE functionality, and a business can [interact](#) with ACE in one of two ways:

- **ACE Secure Data Portal:** The ACE Secure Data Portal is the venue through which electronic truck manifests can be filed. The ACE portal also allows users to compile data and run reports, view account information, and access their [Periodic Monthly Statement](#), which facilitates the payment of duties and fees.
- **Electronic Data Interchange (EDI) Interfaces:** With the exception of filing electronic truck manifests, EDI is the only mechanism through which transactions (entries, entry summaries, and ocean and rail manifests) can be filed in ACE.

How Will ACE Affect Existing Prefiling Programs?

ACE is intended to fully modernize all CBP interactions with the trade community, mainly by serving as the “single window” through which private businesses will communicate with the government. To accomplish this, several existing programs will become obsolete or will undergo modifications. Programs that will be, or that have already been, replaced by ACE:

- Automated Commercial Service (ACS)
- Automated Export System (AES)

These programs will continue to function under AES, albeit in a modified format:

- Automated Broker Interface (ABI)
- AESDirect
- Free and Secure Trade (FAST)
- Pre-Arrival Processing System (PAPS)

Canada – Advance Commercial Information (ACI)

ACI is a three-tiered program which, when fully implemented, will ensure that Canadian border officials are aware of all inbound cargo before it arrives at the border. This advance notification is intended to alert border agents about potential threats so that proper resources can be allocated.

Three Phases of ACI:

- I. All marine cargo loaded in non-U.S. ports must submit an electronic manifest at least 24 hours before arrival.
- II. Air cargo must submit data at least four hours prior to arrival at a Canadian airport. Marine cargo loaded in U.S. ports must submit data 24 hours prior to arrival in Canada.
- III. Rail shipments must transmit data at least two hours prior to arrival. Shipments arriving via highway must transmit data at least one hour prior to arrival.

eManifest

Phase three of ACI calls for a technology solution – eManifest – to provide the platform and technology necessary to electronically transmit shipment data directly to CBSA.

eManifest has been in the development/testing stage for the last several years. When fully operational, members of the trade community will have a choice about how to submit data to CBSA:

- Electronic data interchange (EDI), which will link to CBSA
- eManifest portal, which is a web-based system designed with small and medium businesses in mind

Most businesses entrust a third-party logistics provider to submit shipment data on their behalf, but it's helpful to have a basic understanding of the process and the “single window” changes that are just around the corner.

To learn more about these and other supply chain innovations, visit www.purolatorinternational.com/whitepapers to download Purolator International's white paper: *Electronic Customs Filing Systems: Overview of U.S. Automated Commercial Environment and Canada's Advance Commercial Information Programs*.