

THE TRADE CONNECTION

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Why is Trade Compliance Important?

The Canada Border Services Agency has published a new guide entitled *Why is Trade Compliance Important?* CBSA describes trade compliance as the requirement for importers and exporters to meet all of the requirements governing the movement of commercial goods into and from Canada. This includes accuracy of tariff classification, origin and valuation of goods, as well as accuracy of all other trade information, the requirement to correct wrong information regardless of dutiable status, and all other additional requirements such as import permits. The importance of accuracy reflects on trade data used by government and industry for economic analysis, risk assessment, market research, planning. The benefits of trade compliance for Canadian business include accuracy of statistics used for business planning, less corrections to accounting documents, less AMPS (penalties) and border examinations and faster
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Trade Tips

*The Canadian International Trade Tribunal, after conducting an expiry review, has decided it will rescind its finding of injury in respect of **wood slats** originating in or exported from China and Mexico.*

*The Canada Border Services Agency has issued a Customs Notice urging exporters to use **electronic reporting of exports**. The CBSA has found that electronic reporting results in greater accuracy and timely reporting. A review of the Reporting of Exported Goods Regulations is underway with the intention to complete the review by the summer of 2010. A priority in the review is to look at requiring electronic reporting of exports. The Notice can be found at the following link: <http://www.cbsa-asfc.gc.ca/publications/cn-ad/cn09-015-eng.html>*

Harmonized System Nomenclature

The World Customs Organization has announced the finalizing of the draft Council Recommendation to make amendments to the Harmonized System Nomenclature. The recommendation contains 221 sets of amendments. There will be a six month period during which countries may object to any amendment. The process to put together these amendments has taken five years and their implementation is expected to be January 1, 2012. Environmental and social issues are a major feature of the amendments. The intention is to use the HS as a standard for classifying and coding goods of particular importance to food security and early warning data. Other amendments create subheadings to identify controlled chemicals and pesticides. Changes in international trade patterns, current trade practices and advances in technology have prompted other changes including the elimination of 40 subheadings due to low trade
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movement of goods resulting from a good compliance record with CBSA and thus less CBSA intervention. CBSA promotes trade compliance in various ways including its efforts to keep the importing and exporting communities informed and through border examinations, verifications and AMPS. The last several years has seen a definite shift in the focus of CBSA away from the recovery of duties and towards border security and compliance in light of dropping duty rates and increased concerns for security and increased reliance on trade data. Tracon assists its clients in achieving and maintaining trade compliance. Call us for an evaluation and recommendations for improvements to help your business move its goods effectively. The new CBSA guide can be found at the following web link: <http://cbsa-asfc.gc.ca/publications/pub/bsf5108-eng.html>

Stainless Steel Wire

The Canadian International Trade Tribunal conducted an Expiry Review of its findings of injury concerning the dumping of stainless steel wire from the Republic of Korea, Switzerland and the United States and subsidizing of these goods from India. The Tribunal's decision is that there is not likely to be injury and therefore the Canada Border Services Agency will cease to

impose anti-dumping and countervail duties on this product.

Refined Sugar from the EU

Canada Border Services Agency has announced a re-investigation in regards to the amounts of subsidy of refined sugar, refined from sugar cane or sugar beets, in granulated, liquid or powder form, originating or exported from the European Union. The expected conclusion of the investigation is on or before January 29, 2010, at which time the amounts of subsidy established during the investigation will be effective. The tariff items subject to the re-investigation are available in the CBSA notice at the following link: <http://www.cbsa-asfc.gc.ca/sima-lmsi/ri-re/ad1110/ad1110-ri09-ni-eng.html>

U.S. – Korea FTA

The United States Trade Representative is seeking comments from interested parties concerning the implementation of a Free Trade Agreement between the U.S. and the Republic of Korea. In particular, comments are sought concerning the following: how an agreement will affect trade generally as well as in regards to particular goods or services; economic costs and benefits to U.S. workers, farmers, ranchers, businesses and consumers of removal of tariffs and non-tariff barriers affecting trade between the United States and Korea; and any additional steps that one or both governments should take

to address specific concerns regarding the FTA and the bilateral trade and investment relationship. Submissions are due by September 15, 2009. Details can be found in the Federal Register Notice at the following link:

<http://edocket.access.gpo.gov/2009/E9-17800.htm>

CBSA Advance Rulings for Tariff Classification

The Canada Border Services Agency has updated its new web page listing a number of newly published tariff classification rulings. The name of the importer or other confidential information is not provided, however a description of the goods and the tariff classification given to the goods is provided for guidance for importers. The list can be found at the following web link: <http://cbsa-asfc.gc.ca/import/arda/recent-eng.html>

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volumes. Other amendments clarify texts to ensure uniform application. The WCO announcement with the specific recommended changes can be found at the following link: http://www.wcoomd.org/home_wco_topics_hsoverviewboxes_tools_and_instruments_backgrounddocumenths2012.htm