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# **PARTNERS IN PROTECTION (PIP)**

## **PROCESS DOCUMENTATION**

### **ACCEPTANCE / REJECTION**

- Applications are received and reviewed to assess eligibility (See Appendix A) and to ensure minimum-security requirements are met.
- Applications which are incomplete or do not meet minimum-security requirements may be rejected.
  - Applicants will be advised which sections of their application are incomplete or have not met minimum-security requirements.

### **APPROVAL / DENIAL**

- Approved applications then proceed to risk assessment. If the Risking Unit identifies a history of non-compliance (See Appendix B) in the risk assessment process, the application may be denied.
    - Recommendations for denial are forwarded to the PIP manager for a final determination.
    - Applicants will receive a letter advising of the reasons for the denial.
  - Applications found to have no history of non-compliance will be forwarded to a Regional Intelligence Officer (RIO) for validation of the applicant's minimum-security requirements.
  - The RIO will make a recommendation for approval or denial to the PIP Manager
  - If the applicant has not met the minimum-security requirements, the RIO may choose to employ an Action Plan (See Appendix C) or to recommend denial.
    - Recommendations for denial are forwarded to the PIP manager for a final determination.
    - Applicants will receive a letter advising of the reasons for the denial and be informed of their ability to reapply at any time.
  - Applicants who disagree with their denial may prepare a written response that will be reviewed by the PIP director.
  - Approved applicants will be asked to sign two copies of the Memorandum of Understanding and return them to the CBSA for final signature. At this time a letter of approval will be sent to the applicant and they become a full PIP Member.
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## **SUSPEND / CANCEL**

- Incidents of non-compliance (See Appendix A) are reported to the PIP Program.
- Details of the incident will be investigated and a course of action determined. Depending on the relevant circumstances, any of the following may occur:
  - No action
  - Warning letter
  - Action Plan (See Appendix C)
  - Post - incident analysis
  - Suspension
  - Cancellation
- In some cases, the Member and the RIO will determine a necessary course of action and reasonable timelines in which it may be accomplished. This is formalized in an Action Plan (See Appendix B).
- In the cases of infractions 1, 6, or 9 (See Appendix D) a post-incident analysis may also be performed to determine the circumstances of the incident and to help decide the next course of action. In the case of infraction 6 an immediate suspension may be applied pending the post-incident analysis. This will be decided on a case-by-case level, based on situational circumstances.
- If the Action Plan is not fulfilled to the satisfaction of the RIO within the given timeframe, the RIO may recommend that the Member be suspended or cancelled.
- Final decisions on suspensions or cancellations are made by the PIP Director.
- Suspensions remain in effect until corrective action has been taken, to the satisfaction of the designated RIO. At this time the Member's status is reinstated.
- Suspensions, which are still in effect after one year has elapsed without satisfactory corrective action being taken, will result in the cancellation of the Member.
- Members who are cancelled may not have their privileges reinstated but must reapply to the program.

## **APPEAL / REINSTATE**

- Members of the PIP program who have been suspended or cancelled may appeal this decision.
  - Appeals must be filed in writing, within thirty calendar days of receipt of the letter of suspension / cancellation.
  - A committee of three directors will hear appeals. This PIP Appeals Committee will respond to the Member with their determination within sixty days.
  - Applicants whose appeals are upheld will have their PIP privileges reinstated immediately.
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## GLOSSARY

**ACTION PLAN:** Completed by the RIO and the Applicant / Member to determine corrective action that is necessary and reasonable timeframes for the implementation of this action. Two scenarios require Action Plans:

- An Applicant is required to make certain changes before minimum-security requirements can be met and membership approved.
- An incident or infraction has occurred which warrants corrective action on the part of a Member, may be used in conjunction with a Suspension or Post-incident analysis.

**CANCELLATION:** The termination of a PIP membership. The former Member may reapply at any time at which they deem changes have been made which would render their application acceptable. The decision to cancel a Member is made by the PIP director.

**POST-INCIDENT ANALYSIS:** An analysis is conducted when an infraction or incident has occurred on the part of a Member. The PIA is primarily used to determine relevant / mitigating circumstances surrounding the incident and whether / what further action should be taken.

**SUSPENSION:** A Member who is suspended will be informed of necessary corrective action, by means of an Action Plan. They may take corrective measures as soon as they deem appropriate and, upon verification by a RIO, reinstatement will be recommended to the PIP Manager. If corrective measures are not taken within 1 year, the RIO will recommend that the Membership be cancelled. The decision to suspend a Member is made by the PIP director.

## APPENDIX A - ELIGIBILITY CRITERIA

NUMBER	CRITERIA
1	The applicant must be represented by one of the authorized eligible business categories (importer, exporter, carrier, broker, courier, warehouse operator, or freight forwarder).
2	The applicant must own or operate facilities in Canada directly involved in the importation or exportation of commercial goods or be a U.S. company applying for membership with FAST Canada
3	The applicant must be of good character and have a good record of compliance

## APPENDIX B - DENIAL CRITERIA

NUMBER	CRITERIA
1	Applicant has significant customs offences within the last five years
2	Applicant has a history of non-compliance with other relevant legislative and regulatory requirements
3	Applicant is not of good character

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**APPENDIX C - ACTION PLAN**

**PARTNERS IN PROTECTION ACTION PLAN**

\_\_\_ Applicant

\_\_\_ Member

Name of Member Organization	
PIP ID Number	
Date of site validation or incident (yyyy-mm-dd)	
Time of site validation or incident	

**Issue / Incident:**

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**Corrective Action and Verification:**

Corrective Action	Completion Date	Action Verified? (Y / N)	Verification Date

**Verification:**

All required action has been completed	<u>Signature of IO</u>
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If extension is granted, state new time-frame and explain circumstances	<u>Explanation</u>
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**APPENDIX D - SUSPENSION / CANCELLATION CRITERIA**

<b>Violation</b>	<b>Warning Letter</b>	<b>Action Plan</b>	<b>P.I.A.</b>	<b>Suspension</b>	<b>Cancellation</b>
1. Failure to maintain minimum security requirements	Possible	Possible	Possible (in conjunction with AP)	Up to one year (ends earlier if corrective action has been taken)	Yes – if period of suspension ends without corrective action being taken
2. Failure to inform the PIP program of changes that would affect the Member’s status in the program (i.e. reduced the quality of its security due to conscious decision)	Possible	Possible	No	Up to one year (ends earlier if corrective action has been taken)	Yes - if period of suspension ends without corrective action being taken
3. Lack of cooperation with PIP (e.g. repeatedly asking for extensions, does not return phone messages, does not allow IO on the premises for awareness sessions, etc)	Possible	Possible	No	Up to one year (ends earlier if corrective action has been taken)	Yes – if period of suspension ends without corrective action being taken
4. Failure to show adequate knowledge, records, or systems that can trace back to the Member’s supply chain	Possible	Possible	No	Up to one year (ends earlier if corrective action has been taken)	Yes – if period of suspension period ends without corrective action being taken
5. Failure to disclose pertinent business information that directly affects the Member’s security profile	Yes	No	No	Up to one year for subsequent incidents (ends earlier if corrective action has been taken)	No
6. Has committed an infraction under the Customs Act or is suspended in another security – related CBSA, Federal, Provincial, or International program	Possible	Possible	Yes	Up to one year (ends earlier if corrective action has been taken)	Possible
7. Officer of Member organization is not of good character or Member organization is not of good character	No	Possible	No	Up to one year (ends earlier if corrective action has been taken)	Yes – if period of suspension period ends without corrective action being taken
8. Member obtains PIP authorization on the basis of fraudulent information	No	No	No	No	Yes
9. Failure to comply with any other requirement of the MOU	Possible	Possible	Possible	Up to one year (ends earlier if corrective action has been taken)	Yes – if period of suspension period ends without corrective action being taken