

May 5, 2025

The Honourable David J. McGuinty, P.C., M.P.  
Minister of Public Safety  
Public Safety of Canada  
[david.mcguinty@parl.gc.ca](mailto:david.mcguinty@parl.gc.ca)

**Subject: Concerns Regarding May 20th CARM Implementation Deadline and Proposal for Low-Value Import Release Without Bond**

Dear Minister McGuinty,

[Ciffa Corp's](#) membership includes customs brokers who ensure the rapid passage of goods through the complexities of customs and security, freight forwarders who manage about 80% of Canada's non-commodity trade, port truckers who move freight to and from ships, and the warehouses where the goods are stored. We are writing to express concern regarding the upcoming May 20th deadline for importers to comply with the Release Prior to Payment (RPP) program requirements.

As you will be aware, the Canada Border Services Agency Assessment and Revenue Management (CARM) system has been in place since October 21, 2024. Under CARM, all commercial importers must post their own financial security in the system to benefit from the RPP program, as their customs brokers' security can no longer be used. The RPP program allows commercial importers with financial security to have their goods released electronically before paying duties and taxes.

In a recent Canada Gazette communication, it was revealed that as of March 19<sup>th</sup>, 86% of importers have not yet posted security and would be required to follow a paper-based process to obtain release of their goods at the border once the transition period ends.

Our members have expressed their concern over the May 20 deadline for the following reasons:

- There continue to be significant issues for non-resident importers in obtaining Business Numbers (BNs).
- There are inequities in RPP surcharges being applied.
- There is a disproportionate impact on small businesses.

Additionally, the industry continues to face ongoing delays in obtaining timely responses from the help desk, hindering progress. The process of obtaining a Business Number (BN) from the CRA and a supporting RM account from CBSA remains flawed, contributing to further delays. The Canadian Customs Portal (CCP) also continues to experience intermittent delays, adding to the complexity.

All of these factors will cause significant disruption at Canada's borders, leading to trucks being lined up without release, and further erode the current trading relationship with our CUSMA partners, perhaps inciting comment and complications about Canada's border not being secure.

We strongly urge the Government of Canada to consider further delaying the implementation date until all parties are confident that trade will proceed with minimal disruption. We would also like to request excluding U.S. tariffs from security calculations given the current uncertainty and unpredictability of trade within CUSMA. In addition to the urgent concerns above, we respectfully propose a longer-term reform to Canadian customs practices: permit the release of imported goods valued under \$5,000 without the necessity of posting a customs bond.

In the United States, low-value imports benefit from streamlined clearance processes where shipments below certain thresholds can be released upon entry without the requirement for financial security. Similarly, the United Kingdom offers flexible options for smaller shipments to clear customs without undue financial or administrative burdens. In Canada today, it is estimated that approximately 60% of all import shipments fall below the \$5,000 value threshold. Continuing to require customs bonds for such a large proportion of low-risk shipments places unnecessary costs and administrative burdens on small and medium sized businesses, discourages trade participation, and diverts CBSA resources away from higher-risk areas.

Allowing automatic release for shipments under \$5,000, without the need for a customs bond, would:

- Support Small and Medium-Sized Enterprises (SMEs) engaged in international trade,
- Enhance supply chain fluidity for low-risk, low-value imports,
- Align Canada's practices with those of key international trading partners,
- Maintain customs revenue protection for higher-value or higher-risk shipments.

This proposal aligns with recent CBSA guidance regarding CLVS shipments. Specifically, **CBSA CN24-27, paragraph 15** states:

*"For a 12-month transition period, the CBSA will allow for the continued use of a broker BN15 to account for commercial goods on the F-type CAD in the CLVS stream when the importer, including NRIs, have not registered to the CCP. The release of CLVS shipments will not be delayed due to the commercial importer not having a BN15, not being registered to the CCP, not having delegated authority to a broker or not having enrolled in RPP."*

This exemption from RPP and other CARM requirements until **October 2025** demonstrates a precedent for a risk-based, value-sensitive approach to import clearance. We respectfully recommend that similar principles be applied more broadly to low-value imports. Thank you for your consideration of these important matters. We remain available for further discussion and would be pleased to contribute to any consultations to help ensure a successful transition.

Yours sincerely,



Bruce Rodgers

Executive Director, CIFFA



Julia Kuzeljevich

Director, Policy and Regulatory Affairs, CIFFA