

CIFFA Committee Meetings – Fall 2023

CIFFA's national committees meet several times a year to discuss relevant issues or developments that may affect member companies. Following is a look at what committee members discussed and decided at their most-recent meetings.

Airfreight Committee – Chair Bill Gottlieb

- Committee member Marc Bibeau was recently elected a senior VP at FIATA.
- CBSA's eManifest requires filing four hours before arrival, while Transport Canada's pre-loading advance information (PACT) requires filing prior to loading. CIFFA has challenged the two departments to come up with a solution that would remove the **requirement for double filing**. The Minister of Transport Canada (TC) responded with a letter, saying that TC is aware that there are challenges for freight forwarders in having to submit data to both TC and CBSA, that the two systems are incompatible for cross-communication and that the two departments will work together. CIFFA was informed that privacy concerns would prevent the departments from sharing information. If necessary, CIFFA will contact the Privacy Commission to determine if that is a legitimate concern in this case. CIFFA will continue to push both departments for a solution.
- CIFFA has asked Transport Canada to continue to exempt businesses that ship **hard-to-screen goods** as just a small part of their operation from the requirement to become known consignors, due to take effect at the end of February. TC has said it will review the request.
- Several members of the Airfreight Committee continue to serve as members of the IATA Canadian Air Cargo Program Joint Council.

Customs Committee – Chair Paul Courtney

- **CARM Release 2** is scheduled for May 13, 2024. CIFFA has heard that pre-production testing that started on October 13 is exposing issues. CBSA originally indicated 10 days for transition, which it has now changed to 13. In theory, this means that users may not be able to file accounting documents for 13 days.
- The CBSA has established a **new working group for eHBL** that had its first meeting in September. The group includes stakeholders from the railways, the shipping conferences and forwarders, and is looking for warehouse representation. The group has identified its top priorities for action, which do not include any initiatives that require system changes. (Such initiatives are on hold until after CARM R2.)
- The CBSA says it is applying penalties to only 0.5% of infractions and plans to cut back further. There are still so many issues with eManifest that are causing non-compliance by filers. CIFFA continues to meet with CBSA to discuss **non-compliance penalties**, in particular in situations where foreign forwarders are responsible for not filing or not filing on time. Freight forwarders have mandatory filing requirements under the program, while carriers and warehouses do not, which leaves forwarders on the hook when there's a problem. Where companies make a good case and are not frequently non-compliant, CBSA often agrees to reverse penalties.
- Updated security profiles are supposed to be available in the **Trusted Trader** portal in March. At that point, trade chain partners (TCPs) are expected to comply with the new requirements outlined in the profiles. However, there is industry pushback against that expectation, because promised support from CBSA for the transition has not been provided.

Canadian International Freight Forwarders Association

• The **bonded warehouse licence** of a CIFFA member company that had been operating for 40 years at Toronto Pearson airport was recently cancelled. CIFFA contacted CBSA on behalf of the company and was informed that the cancellation was implemented because the company handled fewer than 1,000 shipments a year. This is concerning, as any sufferance warehouse handling fewer than 1,000 shipments a year is now subject to closure.

Customs Regulatory Committee – Chair Kim Campbell

- This **new committee met for the first time** in November. The group will seek to review CBSA initiatives and provide feedback to help the agency clarify information before new rules are published.
- The committee discussed a range of topics that it might focus on, in order to **determine its top priorities**. It will focus in the near term on submissions to the CBSA related to forced labour regulations (impacts on border processes) and the supply chain regulatory review. Other areas for focus will be CARM, Regulations Amending the Valuation for Duty Regulations, and Importer of Record rules.

Drayage Committee – Chair Chris Ford

- The committee met with representatives from CN on November 1 primarily to discuss the situation in Toronto. Reduced volume has allowed CN to improve performance at its Toronto terminals, with turn times reportedly now at less than an hour. Additional cranes are expected to be added in Toronto by the end of January. Calgary and Edmonton are also expected to each get a new crane by the end of 2024. Committee members noted that drivers face challenges getting to the terminals before 7:00 am, when free time ends, and with determining what to do with a container after they pick it up that early in the morning. The committee has asked that CN consider changing the end of free time to 9:00 am.
- The committee was to **meet on November 28 with CPKC** and was seeking a constructive discussion of issues. Drivers are still regularly being delayed at Toronto terminals.
- A member-to-member webinar and/or in-person events are being planned for 2024.
- A road/rail session will be included in CIFFA's 75th anniversary conference in April. The Drayage Committee is planning a panel discussion that will look at conditions in the the North American market.

Freight Brokers Committee – Chair Joel MacKay

- A lot of mid-sized technology-based brokers are in financial trouble, with funding at risk, according to *FreightWaves*. These companies saw a market opportunity, but maybe didn't adequately understand the needs of the business. The committee sees this as an indication that **knowledge of the industry and personal interaction are more valuable than digitalized solutions**.
- The committee is **considering its goals for 2024**, reviewing options to deliver value to freight broker members.

Seafreight Committee – Chair Martin Schultz

 CIFFA was a signatory to a Canadian Chamber of Commerce letter to Canada's Ministers of Labour and Transport asking for government engagement to end the labour disruption at the St. Lawrence Seaway. 170 Attwell Drive, Suite 480, Toronto, Ontario M9W 5Z5

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- The **labour agreement for dockworkers at the Port of Montreal** will expire on December 31. The two sides complained early in the negotiations process to the Canadian Labour Board, indicating challenges from the outset. CIFFA sent a letter in September to Labour Minister Seamus O'Regan, seeking government assistance in the process. (O'Regan in October appointed a team to begin a review of the West Coast ports dispute. The team's report will not be ready before the Montreal agreement ends.) Wins by port workers on the west coast in Canada and the U.S. have set a high bar that Montreal workers may push to meet.
- There are still local concerns about the **Roberts Bank Terminal 2 expansion project**. Assuming it goes ahead, rail infrastructure will need to be improved to ensure the expansion is successful. (The railways have been removing rails across the country for many years through an exercise to "right size.") CIFFA has identified key stakeholders to help ensure that all are engaged in preparing for the expansion.
- In 2025, the **EU will require carriers to be carbon-neutral** and will charge them for emissions. The carriers have yet to announce how they will apply surcharges to cover these new expenses.

Sustainability Committee – Chair Christina Fisker

- CIFFA has launched an online certificate course Environmental Sustainability and the Freight Industry based on information in the committee's June 2023 report, <u>A Sustainability Blueprint An Introductory Guide</u> to Sustainability for CIFFA Members.
- The association has also put together a **new workshop**, offered for the first time at the end of November: <u>Compliance with the New Laws Prohibiting Forced and Child Labour in Our Supply Chains</u>.
- The Sustainability Committee is **planning to issue its second report** in the Blueprint series in 2024.
- Like all of CIFFA's national committees, the Sustainability Committee is **planning a panel discussion for the 75th anniversary conference** in 2024.

Technology Committee – Chair Marc Bibeau

- The Technology Committee organized a **webinar for members** on November 16, based on information in its report, <u>Workflow Automation</u>, issued in July. Panelists from OEC Group, Magaya and Roxville Technology Inc. discussed the benefits of workflow automation and how CIFFA members might make it work for their companies.
- The committee continues to **plan its next report**, information from which is expected to be presented in a session at CIFFA's 75th anniversary conference in April.

If you are interested in joining any of the national committees, please send your request to either <u>admin@ciffa.com</u> or the Regional Chair for your area, whose contact details can be found in the <u>National Board</u> <u>of Directors listing</u> on the CIFFA website.