

A New CBSA Commercial Vision for 2017

Synopsis of
Consultation Document



Overview

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- Key Issues and Trends Identified by Canada Border Services Agency for discussion
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Prelude

- The information presented in this deck is **comprised** of a series of **excerpts** from the Canada Border Services Agency's (CBSA) “**A New CBSA Commercial Vision for 2017**” Consultation document
- The **intent** of this presentation is to provide the reader with an **overview** of the CBSA identified **areas of importance** and **focus** for the **next 10 years**



Document Background

- The Commercial Vision is a key **commitment** in the CBSA's **Report on Plans and Priorities** (RPP) for 2007
- The CBSA acknowledges that the **commercial environment** is dynamic and influenced by the following:
 - **Trade security**
 - **Compliance**
 - **Harmonization of processes, data requirements and standards regionally and globally**



Document Objective

- The document's **objective** is to illustrate a collective operating environment, ten years from now, to aide in **developing a blueprint for the future of the CBSA**

- The Vision will be based on **six principles**:
 1. **Facilitation**
 2. **Risk Management**
 3. **Security**
 4. **Innovation**
 5. **Pushing out the border**
 6. **Fostering Partnerships**



Defining the Future

- Three **future efforts** have been identified by the CBSA that requires **prioritization**, these are:
 - **Modernizing the commercial program**
 - **Leveraging technology to its fullest capacity**
 - **Directing future investment decisions**



Defining the Future

- The CBSA anticipates that the Commercial Vision for 2017 will assist in:
 - **Defining** how commercial processes will function
 - **Identifying** new strategic directions that may be required
 - **Determining** roles and requirements for the trading community
 - **Responding** to North American and international requirements
 - **Identifying** infrastructure and funding implications



Key Issues and Trends Identified by the CBSA

- The Commercial Vision document identifies a number of **interdependent issues and trends that affect the commercial environment**, these are:
 - E-Commerce
 - New logistics and supply chain models
 - Security Domination of the Trade Agenda
 - Changing Global Patterns
 - Working with other government departments (OGDs)
 - A more complex compliance continuum
 - Processes and systems



CBSA Key Issues and Trends: #1: E-Commerce

- Since **2002**, the value of **Ecommerce transactions** have more than **quadrupled**, as a result the CBSA acknowledges the need to:
 - Develop **compatible methods** for **exchanging information** across borders
 - **Harmonize** with regional and global institutions in the context of the **Security and Prosperity Partnership** (SPP)



CBSA Key Issues and Trends:

#2: New logistics and supply chain models

- 37,000 trucks cross the Canada-US border daily and they are mostly concentrated around **5** of 135 border crossing points
- Today's business needs are driving the CBSA to innovate with effective, efficient and automated clearance processes that are:
 - **risk based**
 - **minimize delay**
 - **reduce costs**
- Examples currently being discussed include:
 - integrating concepts of FAST, smart cards and green lanes to **facilitate** the **movement of legitimate goods** while at the same time protecting against health, safety and security



CBSA Key Issues and Trends:

#3: Security Domination of the Trade Agenda

- Security remains a CBSA **priority** as it ensures economic prosperity
- CBSA is:
 - **Aware** that heightened security requirements are exerting financial pressure on Canadian traders
 - **Supportive** that security and trade must compliment, rather than compete
 - **Aware** that Canadian traders are looking for consistency and mutual recognition of security requirements across trading partners to ease their financial burden



CBSA Key Issues and Trends:

#4: Changing Global Patterns

- Future must support **emerging markets** such as China, India, Mexico, Brazil and South Africa
- **Shifts** in global trade patterns have the potential to dramatically alter the global marketplace
- Developing countries account for **30%** of world merchandise trade, and approximately **40%** of exports from developing countries are destined for other developing countries



CBSA Key Issues and Trends:

#5: Working with other government departments

- The CBSA led Single window/electronic environment for other government departments currently include **ten** agencies/departments
- The goals:
 - **Streamlining** and **harmonizing** the **systems and processes** employed by the Government of Canada at the border
 - Create a **single universal point** of access capable of handling virtually all cross border concerns



CBSA Key Issues and Trends:

#6: A more complex compliance continuum

- Compliance continuum is becoming increasingly complex:
 - **Advance cargo and trade data issues**
 - **Rise of emerging markets with less sophisticated trade chains**
 - **Move towards staged manufacturing**
 - **Health, safety and security concerns**
- The CBSA is taking an active role in initiatives such as implementing the **World Customs Organization's Framework of Standards to Secure and Facilitate Global Trade (SAFE)**
 - includes the concept of **Authorized Economic Operator (AEO)**
 - aimed at securing the trade chain and further contributing to facilitate the movement and release of legitimate/low risk goods



CBSA Key Issues and Trends:

#7: Processes and systems

- The challenge is that modern border systems need to be supported by robust **post-implementation** verification programs and systems
- CBSA desires to **continue** developing robust **links** with **carriers** and **other trade chain partners** to **build capacity** and **prevent non-compliance**



Summary

CBSA Consultation Process

- This is the **initial step** by the CBSA to define and elaborate on a Commercial Vision for 2017
- The CBSA is currently obtaining **feedback** from the various **industry** and **trade associations** to elicit ideas and feedback
- The intent is for the CBSA to **develop** a more **detailed consultation document** in the fall for **internal** and **external stakeholders**



Summary

CBSA Consultation Process

- If you wish to provide your input during this phase and have not already been asked to do so, please feel free to contact us and we will forward you a copy of the CBSA's **6 question consultation survey** for completion
- Please **return** your survey no later than **September 4th 2007** so that we can include your comments along with ours by the **CBSA's September 14th** deadline



Thank You for your time

In you have any questions please feel free to contact us as we would be more than happy to address them.

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