

February 7, 2005

**NEW REGULATIONS – U.S. IMPORT OF HORSES (CDN. TO US EXPORTS)
NEW E-FILING REQUIREMENTS -- “PAPS” (PRE-ARRIVAL PROCESSING SYSTEM)**

All owners, trainers, competitors and riders intending to take horses to the United States should be aware that there are now two sets of revised U.S. import requirements that may impact the ease with which horses cross the border from Canada to the United States. New regulations are now in effect, implementing the US Trade Act of 2002, and the Public Health Security and Bio-terrorism Preparedness and Response Act of 2002. These regulations require pre-filing of customs documents in advance of border crossing at a U.S. port-of-entry.

1) FDA REQUIREMENTS – FOOD & ANIMAL FEED:

Under regulations of the Public Health Security & Bio-terrorism Preparedness & Response Act, the FDA (Food & Drug Administration) requires prior notification to the FDA of food, including animal feed that is imported or offered for import into the United States. The regulations require that prior notice be submitted to FDA electronically no more than 5 days and no less than 2 hours before the food/animal feed arrives at the port of arrival. The required electronic filing would be handled by a Customs Broker on behalf of Canadians exporting food or animal feed.

Equine Canada requested clarification of the regulations for forage, horse feed and nutritional products entering the U.S. **EQUINE CANADA has been advised** by International Trade Canada, confirmed by representatives from the Canadian Food Inspection Agency, **that the import of food and animal feed products for personal consumption do not require this pre-filing at this time.**

However, we were also advised that **any feed (including supplements) entering the United States, SHOULD TRAVEL WITH THE HORSES** to avoid potential disputes at port-of entry. It was suggested that if the feed in question was travelling in separate vehicles, arriving at customs at different times, it may give rise to questions about the use of the feed in the U.S.

Individuals or companies permanently exporting horse feed & nutritional products to the U.S. should check with their customs broker, or the Canadian Food Inspection Agency on their responsibilities under these new regulations.

2) PAPS – PRE-ARRIVAL PROCESSING SYSTEM:

U.S. Customs **Pre-Arrival Processing System** regulations are now fully active at all U.S. ports-of-entry for “commercial shipments” into the United States. These new regulations require the electronic pre-filing of all customs entry documents in advance of arriving at a U.S. Customs centre. Shipments into the U.S. must be handled by a shipper/carrier with a **SCAC (Standard Carrier Alpha Code)**. This pre-assigned carrier-code number must be issued in advance of border crossing, and customs documents must have bar-coded stickers that include the carrier-code.

The Pre-Arrival Processing System was rolled out in three phases at Canada-U.S. border crossings, during November/04 through January/05 and is now in full implementation. In general media discussions on enhanced border security issues for the United States, the regulations are popularly referred to as the “24-Hour-Rule” ... provisions of the U.S. Customs and Border Protection (CBP) advance cargo information requirements of the U.S. Trade Act of 2002.

Equine Canada sought clarification as to whether horses crossing the border into the U.S. would be considered “commercial shipments”, and therefore be required to comply with the PAPS pre-arrival filing process. Enquiries to the Canadian Food Inspection Agency, International Trade Canada (Ottawa), and Foreign Affairs Canada (Washington Embassy), provided the following information, as at Friday, February 4, 2005:

“For horses entering the United States for exhibition or other temporary purposes, entering the U.S. on a Temporary Importation Bond (the “30-day-import” requirements), there has been no change of policy. Such temporary importation of horses would not require filing of PAPS (or BRASS) pre-arrival notifications.”

This does not eliminate any existing requirements for temporary import for horses into the U.S. You will still be required to provide all veterinarian health certificates, manifests, etc. that are currently required for temporary entry of horses.

As is often the case with new regulations, there may be some confusion in the short term with horses crossing at different U.S. ports-of-entry. On Equine Canada’s behalf, Canadian Embassy officials in Washington have requested that written clarification of the guidelines for horses should be distributed to all U.S. Customs offices. Equine Canada will post and distribute this clarification as soon as it is available.

It is expected that horses entering the U.S. as permanent exports (including horses sold to U.S. customers), would be required to complete the Pre-Arrival Processing System requirements. Those responsible for shipping horses for permanent export to the United States, would be required to have a SCAC (Standard Carrier Alpha Code), to acquire bar-coded stickers to place on all customs documents, and would need to use the services of a broker to file documents prior to arrival at the border.

Failure to comply with PAPS pre-arrival filing requirements in advance of border crossing, could trigger fines of up to \$5,000.

For information on how to get a SCAC and bar-code stickers, contact the

National Motor Freight Traffic Association (NMFTA)

703-838-1868 or www.NMFTA.org

3) WHAT SHOULD YOU DO TODAY?

As if often the case when new regulations are implemented, there may be some confusion about the requirements for horses crossing the border. Additional information on U.S. Customs requirements, can be found on the U.S. Customs & Border Protection site at:

www.cpb.gov

OPTIONS TO CONSIDER:

- **Commercial carriers** – The Canadian commercial horse transportation companies that were contacted by Equine Canada representatives all reported that they have completed the required paperwork for SCAC and bar-coded documents. You may want to consider using commercial carriers to move horses to the U.S.
- **For horses travelling to U.S. on temporary export permits** – Call ahead to the Customs Office at your intended port of crossing. Contact information for US Customs Offices are available on the U.S. Customs & Border Protection site at:

<http://www.cbp.gov/xp/cgov/toolbox/ports/>

- **Apply for SCAC number** – If you regularly cross the border with horses, either for temporary entry with your own horses or other horses in your care, you should consider applying for a Standard Carrier Alpha Code for yourself or your stable. This is a one-time set-up process to have a number assigned to yourself as a shipper/carrier, but would require that you work with a U.S. customs broker to process the required documents for shipments to the U.S.
- **Keep checking the Equine Canada website** – Equine Canada will continue to post updates on the status of border crossing regulations as they become available. Keep checking the EC website at:

www.equinecanada.ca