



Mike Murphy  
P.F. Collins International Trade Solutions  
o/b/o TechnipFMC Canada Limited  
P.O. Box 5514  
St. John's, NL A1C 5W4

SENT BY E-MAIL: [mmurphy@pfcollins.com](mailto:mmurphy@pfcollins.com)

**7688-2/CCV-24/05**  
**“DEEP EXPLORER”**  
**February 27, 2024**

Dear Mike:

**Subject: Temporary Admission of the Bahamas – Dive Support vessel “DEEP EXPLORER” pursuant to the *Coasting Trade Act* and the *Vessel Duties Reduction Order P.C. 1990-939***

The Canadian Transportation Agency has advised that it has determined, pursuant to subsection 8 (1) of the *Coasting Trade Act*, that there is no suitable Canadian ship available to provide the service or perform the activity described in your application dated **February 9, 2024**. However, a Coasting Trade Licence (Form C48) must be obtained before the vessel may commence its operations.

In addition, all vessels being imported into Canada, temporarily or otherwise, must be properly accounted for in accordance with the *Customs Act* upon its arrival in Canada. To obtain the licence, you must present a copy of this letter of authorization to the CBSA office at **St. John's, NL**, with documentary confirmation that the vessel **“DEEP EXPLORER”** satisfies the following requirements of the *Coasting Trade Act*:

- (1) Subsection 4 (1) (c) respecting proof of payment, on the 1/120th proportionate basis, of the applicable duties and taxes. Duty paid Customs Accounting Document (B3), with field 26 completed to show Special Authority number **88-0357**. The vessel name and file number **7688-2/CCV-24/05** is to be shown in field 22 of the B3.
- (2) Subsection 4 (1) (d) and (e) respecting shipping convention certificates/documents and safety and pollution prevention requirements (Certification from Transport Canada, Marine Safety).

**7688-2/CCV-24/05**  
**“DEEP EXPLORER”**  
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The Coasting Trade Licence (Form C48) will indicate that the **Bahamas – Dive Support vessel “DEEP EXPLORER”** under authorization # **7688-2/CCV-24/05** may be temporarily imported into the coasting trade of Canada for the following purpose and time period:

**The vessel “DEEP EXPLORER” will supply and install unbonded flexible pipes, subsea umbilicals and subsea manifold structures. Additionally, it will execute saturation and surface diving intervention activities on the floating production, storage and offloading ship SeaRose FPSO’s turret buoy. These operations will be conducted by using the TechnipFMC Seahunter (light diving craft) in the White Rose oil field, off the coast of Newfoundland and Labrador.**

**During the period commencing on or about June 1, 2024 and ending on or about October 15, 2024.**

Should any changes occur in the dates, the intended use of the vessel in Canada or of the vessel itself, it is incumbent upon the applicant to advise this office in writing, as soon as possible.

**The CBSA office of Importation and the CBSA office of Accounting are St. John’s, NL.**

I should also point out that there might be income tax implications related to the temporary importation of this vessel. Generally, where a non-resident of Canada receives income from a Canadian source, they are subject to tax on that income. In the case at hand, any lease or rental payments made to the non-resident owner of the vessel in question would be subject to a withholding tax on account of the non-resident owner's income tax liability to Canada. The same would apply to any payments made to non-residents for non-employment-related services, if any, provided in Canada. Further, any individuals hired to crew the vessel, whether residents of Canada or not, would be subject to withholding at source for income tax and possibly Canada Pension Plan and Employment Insurance on their employment income. However, depending on their country of residence, the requirement to withhold may be waived if their country of residence has a reciprocal income tax treaty with Canada and that treaty contains certain relieving provisions. For more information on these income tax issues, you may call **1-800-959-5525**.

Foreign national means a person who is not a Canadian citizen or a Permanent Resident of Canada. Foreign nationals seeking entry into Canada must meet admissibility requirements under the Immigration and Refugee Protection Act (IRPA). A foreign national may not enter Canada to work without first obtaining a work permit unless exempted by the regulations. A foreign national may apply for a work permit at any time before entering Canada at the nearest Canadian Visa office abroad. All work permits require a Labour Market Impact Assessment (LMIA) by the department of Employment and Social Development Canada (ESDC) unless exempted by the regulations. ESDC weighs several factors in forming a LMIA by assessing the impact on the Canadian labour market, such as wages, working conditions and availability of Canadian citizens and permanent residents to do the work.

For immigration purposes, foreign nationals entering Canada on a vessel as members of a crew engaging in the “coasting trade” require an ESDC labour market impact assessment and work permits. Foreign nationals seeking entry into Canada without the required documentation may be subject to an inadmissibility report and enforcement action by a Border Services Officer (BSO). A BSO comes under the umbrella of the Canada Border Services Agency (CBSA) whose responsibility is to administer immigration and customs legislation among others at a Port of Entry. Obtaining work permits and ESDC Labour Market Impact Assessments can take several weeks or longer depending on each individual case. To obtain a Labour Market Impact Assessment (LMIA), formerly known as a Labour Market Opinion, please contact Service Canada. For more information on temporary foreign workers and immigration requirements, it is strongly recommended you plan early and view the Immigration, Refugees and Citizenship Canada internet site:

<http://www.cic.gc.ca/english/work/index.asp> and <http://www.cic.gc.ca/english/work/employers/hire-how.asp>. For those persons outside Canada, you may wish to contact our Canadian Visa office nearest you at: <http://www.cic.gc.ca/english/information/offices/index.asp>

In addition, on completion of this operation, you are advised to ensure that a copy of the vessel's outward report from Canada is forwarded to the CBSA office in **St. John's, NL**. This notification of the vessel's departure will serve to close the file, which was opened with the vessel's inward report on arrival and the subsequent issuance of the Coasting Trade Licence. It will also be used by the Department to confirm the number of reduced duty payments (1/120th) required as a result of the vessel's authorized use in Canada.

***Please note: Effective August 1, 2018, a Coasting Trade Licence will no longer be cancelled should a vessel leave Canadian waters, provided the dates on the licence and other required permits remain valid and have not expired. A vessel will remain subject to any and all reporting requirements should it wish to re-enter Canadian waters to continue the authorized activity. A new Form B3, Canada Customs Coding Form, will be required upon re-entry to account for the importation. When a vessel operator is doing its final outward report under the existing licence the vessel operator is to indicate in the “Remarks” field on the A6 Outward Report that it is the “final” report and also indicate the CBSA office of importation.***

Should you have any questions please do not hesitate to contact:  
[Coastingtrade-cabotage@cbsa-asfc.gc.ca](mailto:Coastingtrade-cabotage@cbsa-asfc.gc.ca).

Yours truly,

Commercial Registration  
Commercial and Trade Branch  
Canada Border Services Agency

**CBSA OFFICE:** A scanned copy of the Coasting Trade Licence (Form C48) when issued and a copy of the Vessel's Final Outward Report (Form A6), must be **emailed** to the following contacts:

- |                                  |  |
|----------------------------------|--|
| 1) Fisheries & Oceans            | Email <a href="mailto:Michael.Winters@dfo-mpo.gc.ca">Michael.Winters@dfo-mpo.gc.ca</a><br><a href="mailto:MSF-DSM.XNCR@dfo-mpo.gc.ca">MSF-DSM.XNCR@dfo-mpo.gc.ca</a> |
| 2) Transport Canada              | Email <a href="mailto:TC.CoastingTrade-Cabotage.TC@tc.gc.ca">TC.CoastingTrade-Cabotage.TC@tc.gc.ca</a>   |
| 3) Canada Border Services Agency | Email: <a href="mailto:coastingtrade-cabotage@cbsa-asfc.gc.ca">coastingtrade-cabotage@cbsa-asfc.gc.ca</a>  |

**SENT BY E-MAIL:** mmurphy@pfcollins.com

**Distribution List Name: P.F. Collins**

r Malone@pfcollins.com  
k Marshall@pfcollins.com  
r Collins@pfcollins.com  
s Fleming@pfcollins.com  
l Drover@pfcollins.com  
c Elliott@pfcollins.com  
c Kavanagh@pfcollins.com  
s Collins@pfcollins.com

**Distribution List Name: Atlantic**

QUE\_ImpTempImp@cbsa-asfc.gc.ca  
ATL\_CBSA-ASFC\_Targeting\_SJNB-G@cbsa-asfc.gc.ca  
NP156EXC11G@cbsa-asfc.gc.ca  
ATL\_CBSA-ASFC\_NL\_Operations-G@cbsa-asfc.gc.ca

**Distribution List Name: OGD's for CTL**

insp.stand-norm.insp@tc.gc.ca  
Michael.Winters@dfo-mpo.gc.ca  
CBSA.Licensing\_Unit-Unite\_agreements.ASFC@cbsa-asfc.gc.ca  
Coastingtrade-cabotage@cbsa-asfc.gc.ca  
MSOC-East.XNAT@dfo-mpo.gc.ca  
CBSA-ASFC\_FEAR-EERA  
luc.tremblay@tc.gc.ca  
Alyson.Hawkins@tc.gc.ca  
maritime@otc-cta.gc.ca  
tc.coastingtrade-cabotage.tc@tc.gc.ca  
NC-TFW\_MPTEL-DEP\_TET-GD@hrsdc-rhdcc.gc.ca  
Simon-Louis.Chasse@tc.gc.ca