

## Overview

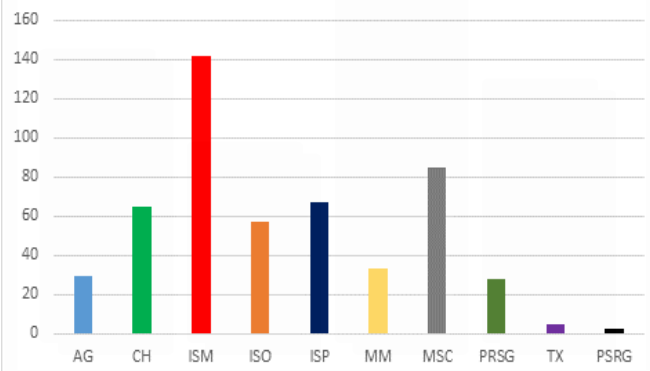
Due to critical effects on the U.S. industry, **CBP has identified Antidumping and Countervailing Duties (AD/CVD) as a Priority Trade Issue (PTI)**. AD/CVD are additional duties determined by the U.S. Department of Commerce which offset unfair low prices and foreign government subsidies on certain imported goods. AD/CVD rates are in some cases significantly higher than other importation duties. AD/CVD cash deposit rates range from 0% through 1731.75% These high duty rates may result in efforts to evade the duties and illegally import the goods.

The goals of the AD/CVD PTI are:

- To **detect and deter circumvention of the AD/CVD law**
- To **liquidate final duties in a timely and accurate manner**, while at the same time **facilitating legitimate trade**

CBP takes an agency-wide approach to enforce AD/CVD laws and collaborates with the trade community and partner government agencies. **In FY 2019, approximately \$19 billion of imported goods were subject to an AD/CVD order.**

AD/CVD Orders by Commodity Groups



## Collecting Revenue

The United States uses a **retrospective system** to assess AD/CVD, which means that the duties that CBP collects from importers at the time of entry are only *estimated*, and the final duties are often not determined until two to three years later, when the U.S. Department of Commerce instructs CBP to collect final duties owed. CBP uses all of its legal authority to collect any duties.

### What is a Priority Trade Issue (PTI)?

PTIs represent high-risk areas that can cause significant revenue loss, harm the U.S. economy, or threaten the health and safety of the American people. CBP focuses its actions and resources around PTIs to better direct an effective trade facilitation and enforcement approach.

## CBP Enforcement

**CBP takes an agency-wide approach to enforce AD/CVD by:**

- Ensuring that the AD/CVD laws are enforced and that violators are identified and appropriately punished
- Using national assets such as the National Targeting and Analysis Centers (NTACs) to monitor the effectiveness of trade criteria and trade compliance
- Employing enforcement methods at the ports, Centers of Excellence and Expertise, and the national level to target AD/CVD evasion, including entry summary reviews, cargo exams, audits, and lab testing
- Carrying out investigations under the Enforce and Protect Act, formal procedures for submitting and investigating antidumping or countervailing duty allegations of evasion against U.S. importers.

## Leveraging Domestic Partnerships

CBP is committed to ensuring that AD/CVD laws are vigorously enforced. To this end, CBP has established key partnerships with the U.S. Department of Commerce, U.S. Department of Immigration and Customs Enforcement (ICE), U.S. Department of Treasury, Office of the U.S. Trade Representative, and domestic industries. CBP and ICE specifically partner to identify, penalize, and disrupt distribution channels of imported goods that seek to evade AD/CVD.

### CBP's Roles and Responsibilities

- Administer AD/CVD Entries
- Collect AD/CVD Duties
- Enforce AD/CVD Orders

Some of **CBP's most valuable partners in AD/CVD enforcement are domestic industries**, that contribute to the enforcement of AD/CVD by:

- Meeting regularly with CBP personnel to discuss AD/CVD evasion schemes
- Gathering and sharing valuable industry intelligence with CBP
- Providing technical commodity expertise and multi-day training sessions to enhance CBP's industry knowledge
- Submitting e-Allegations to report violators



## Enforcement Successes

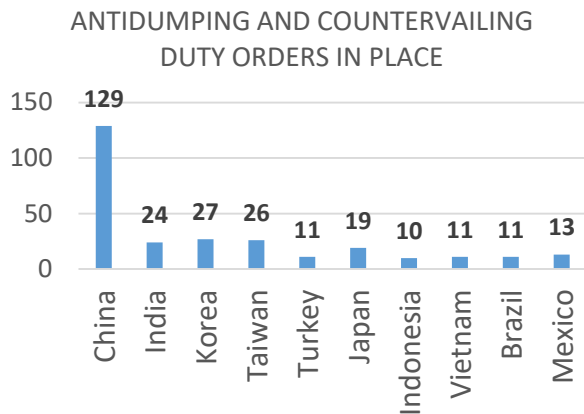
- CBP targets importers who evade antidumping and countervailing duties. In FY 2019, CBP: **Levied 16 monetary penalties totaling over \$69.4 million on imports** for fraud, gross negligence, and negligence for AD/CVD violations
- Completed over **81 audits of imports** of AD/CVD commodities and identified AD/CVD discrepancies with a **value of approximately \$20.3 million**
- Assisted ICE in 19 seizures



### Operation Hocus Pocus

Operation Hocus Pocus focused on Steel and Aluminum. CBP targeted importers who changed their HTS numbers after

implementation of Section 232 in order to evade additional duties. This resulted in \$8.1 million in additional AD/CVD.



As of January 16, 2020 CBP enforces 503 AD/CVD Orders on approximately 150 commodities from 49 countries. This graph represents the top 10 countries.

## Reporting Suspicious Trade Activity

If you have any suspicion of or information regarding suspect-ed fraud or illegal trade activity, please contact CBP through the e-Allegations website:

<https://eallegations.cbp.gov/Home/Index2>.

**Centers of Excellence and Expertise** transform the way CBP approaches trade operations and work with the international trade community to facilitate the timely resolution of trade compliance issues nationwide. For more information, please visit: <http://www.cbp.gov/trade/centers-excellence-and-expertise-information>

Center	Email
Agriculture & Prepared Products	cee-agriculture@cbp.dhs.gov
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Automotive & Aerospace	cee-automotive@cbp.dhs.gov
Base Metals	cee-basemetals@cbp.dhs.gov
Consumer Products & Mass Merchandising	cee-consumer@cbp.dhs.gov
Electronics	cee-electronics@cbp.dhs.gov
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Petroleum, Natural Gas & Minerals	cee-petroleum@cbp.dhs.gov
Pharmaceuticals, Health & Chemicals	cee-pharmaceuticals@cbp.dhs.gov cee-chemicals@cbp.dhs.gov



# Antidumping and Countervailing Duties

## Priority Trade Issue

*Data reflective as of January 2020*



U.S. Customs and Border Protection