

Commercial Customs Operations Advisory Committee (COAC) Government Issue Paper: Antidumping & Countervailing Duties

February 2018



U.S. Customs and
Border Protection



OT/Trade Policy & Programs
Antidumping and Countervailing Duties
February 28, 2018

Action Required: Informational

Background:

- Antidumping and countervailing duty (AD/CVD) enforcement is a priority for U.S. Customs and Border Protection (CBP).
- CBP collects estimated AD/CVD duties on over 425 AD/CVD orders when merchandise is imported into the United States. CBP employs significant national assets from across the agency to target AD/CVD evasion, including import trade trend and valuation analysis, the use of targeted reviews and audits to address high-risk orders, lab testing, and special operations.
- The Commercial Customs Operations Advisory Committee (COAC) Trade Enforcement and Revenue Collection (TERC) subcommittee formed the AD/CVD working group to generate advice and develop recommendations specific to AD/CVD. The AD/CVD working group consists of COAC members and nonmembers providing diverse perspectives on AD/CVD issues. Members of the working group include importers, customs brokers, sureties, U.S. manufacturers, lawyers, as well as participants from the Department of Commerce and Immigration and Customs Enforcement, Homeland Security Investigations.

Issue:

- CBP is committed to enforcing AD/CVD laws, identifying and penalizing those who would try to evade those laws, and vigorously pursuing amounts owed to the United States.

Current Status:

- Status of the COAC 14th Term recommendations:
 - CBP has fully implemented 010005, 010006, 01008 through 010011, and 010281;
 - CBP has partially implemented 010007, 010228, 010258, 010259; and
 - CBP is considering 010282 through 010286.
- In regards to recommendation 010258, CBP held several extensive consultations with the COAC AD/CVD Working Group on Executive Order (EO) 13785, *Enhanced Collection of AD/CVD and Violations of Trade and Customs Laws*.
 - CBP reviewed the EO and an outline of CBP's draft implementation plans with the AD/CVD Working Group.
 - The AD/CVD Working Group provided input on AD/CVD collection and enforcement issues and risk factors, and feedback on the concepts included in CBP's draft implementation plan. These discussions provided practical trade input that helped guide CBP's development of the EO implementation plan.
- In regards to recommendation 010228, for CBP to consult with other customs administrations to identify and share best practices on enforcing AD/CVD laws:
 - As of February 2018, CBP has engaged with the customs administrations of Canada and Mexico, via a trilateral steel customs dialogue, to share best practices in regards to enforcement of AD/CVD laws, and agreement on joint AD/CVD steel enforcement operations.
- In regards to recommendation 010007, to provide industry focused outreach related to AD/CVD:
 - On February 6, 2018, a representative from the Industrial Manufacturing and Materials Center of Excellence and Expertise participated in the AD/CVD Working Group call and discussed the Center AD/CVD portfolio, approach to enforcement, facilitation efforts, initiatives and challenges and then allowed for open discussion and questions.
- In regards to recommendation 010259, enhancing and clarifying CBP's AD/CVD frequently asked questions (FAQ) document to include information and guidance related to Department of Commerce critical circumstance determinations and AD/CVD entries that have a 0% deposit rate at time of entry:
 - CBP has completed a draft revision of the FAQ document, which has been passed to Department of Commerce for review and concurrence. The AD/CVD Working Group will receive the document for final review and concurrence prior to publication on CBP.gov.
 - In addition, CBP continues to update the Automated Commercial Environment (ACE) entry summary business process document for the trade.

Next Steps:

- CBP continues to work towards fully implementing the following recommendations in conjunction with the AD/CVD Working Group.
 - Recommendation 010259: CBP will seek final review and concurrence of the FAQ document by the AD/CVD Working Group prior to publication on CBP.gov. In addition, CBP will continue to update the ACE entry summary business process document for the trade.
 - Recommendation 010007: CBPs will continue to provide industry focused outreach to the Trade community.
 - Recommendation 010228: CBP will continue engagement with the customs administrations of Canada and Mexico, via the trilateral steel customs dialogue. CBP will engage other customs administrations where possible.
- CBP is also partnering with the AD/CVD Working Group to provide increased visibility for the trade on the steel seminars taught by the U.S. steel industry at CBP ports of entry.

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