

Trade Agreements & Special Trade Legislation

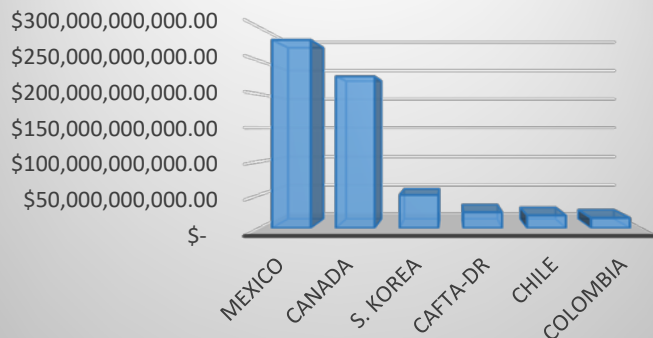
Trade agreements feature complex rules of origin and other special conditions and processes for qualifying imports into the United States that vary agreement-by-agreement. CBP strives to ensure these preferential treatment opportunities are implemented in a way that is consistent, effective, transparent, and fair.

CBP strives to detect and avoid false claims and potential loss of revenue. CBP works to verify, validate, and enforce trade agreement and special trade legislation claims.

The United States also maintains special trade legislation with numerous partner countries. These programs include:

- African Growth & Opportunity Act
- Caribbean Basin Initiative
- General System of Preferences

Import Value by Trade Agreement - FY 2018



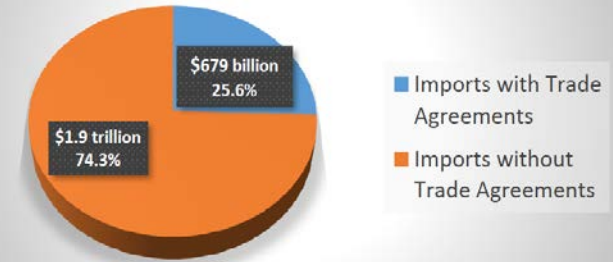
Protecting Fair Trade

In fiscal year 2018, 27% of all imports into the United States were claimed under a trade agreement or special trade legislation, totaling \$679 billion. These preferential treatment opportunities must be monitored closely to ensure that fraudulent claims are detected, legitimately-owed revenue is collected, and other import compliance requirements are met.

Trade Agreement Enforcement

- Conduct analysis on pattern changes to identify behavioral shifts, or anomalies that require additional monitoring, investigation, and follow-up.
- Create and coordinate targeting and analysis in response to findings of non-compliant imports.
- Review and respond to internal and external allegations of potential trade agreement violations.
- Verify compliance by means of audits and other comprehensive document reviews, to validate preference eligibility.
- Provide technical expertise and support to the U.S. Trade Representative in trade negotiations.
- Partner with U.S. Immigration and Customs Enforcement on criminal investigations involving trade fraud.

U.S. Import Value - FY 2018



Trade Agreement Verification

CBP's commodity-type focused **Centers of Excellence and Expertise** prevent, detect, and target illicit trade, including fraudulent trade agreement claims:

- Providing **national strategic perspective** through risk analysis and multi-disciplined trade strategies.
- Developing and applying advanced risk management techniques to **support trade security and trade compliance**.
- **Managing national cargo and summary criteria** related to trade agreements and special trade legislation
- **Identifying new areas of risk and concerns associated with the enforcement** of trade agreements and special trade legislation.
- **Researching allegations of non compliance**.

U.S. Free Trade Agreements

Trade agreements are negotiated between two or more countries to determine acceptable exchanges of goods and services between the parties. Trade agreements feature reduced or eliminated **tariffs, quotas**, and the elimination of other **trade barriers** between the signatories.

- **Australia** (AUFTA)
- **Bahrain** (BHFTA)
- **Dominican Republic-Central America Free Trade Agreement**, including **Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua** (CAFTA-DR)
- **Chile** (CLFTA)
- **Colombia** (COPTA)
- **Israel** (ILFTA)
- **Jordan** (JOFTA)
- **Korea** (KORUS)
- **Morocco** (MAFTA)
- **North America Free Trade Agreement**, including **Canada and Mexico** (NAFTA)
- **Oman** (OMFTA)
- **Panama** (PATPA)
- **Peru** (PETPA)
- **Singapore** (SGFTA)

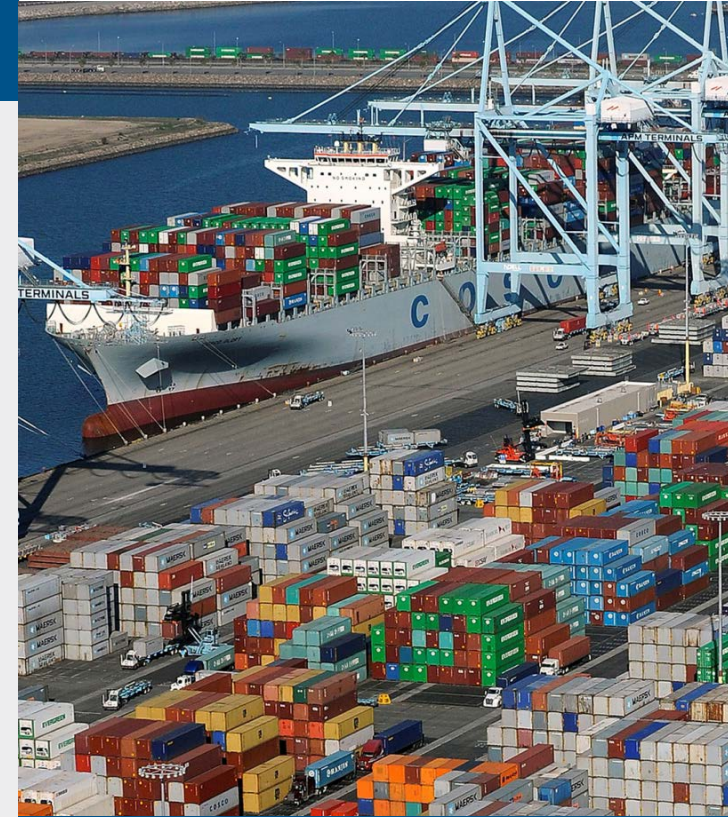
More information is available at www.cbp.gov/trade/priority-issues/trade-agreements/free-trade-agreements.

Trade Community Outreach

CBP strives to facilitate the trade community's usage of and compliance with the United States' trade agreements with partner countries. This includes issued memoranda to the Cargo Systems Messaging Service (CSMS - <https://csms.cbp.gov>), trade agreement implementing instructions, trainings and webinars, and other engagements. The CBP Trade Agreements Branch has also developed significant guidance at CBP.gov regarding how to take advantage of trade agreement and special trade legislation opportunities, and how comply with these instruments. (www.cbp.gov/trade/priority-issues/trade-agreements).

Inquiries on trade agreements and special trade legislation compliance can be sent to FTA@CBP.DHS.gov.

For U.S. exporter information, please contact the U.S. Department of Commerce: www.Export.gov.



Trade Agreements

Priority Trade Issue

July 17, 2019



U.S. Customs and
Border Protection



U.S. Customs and
Border Protection

Office of Trade