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Thanks for joining us for this new issue of the Trade News Snapshot! We've had a busy month here at the Office of Trade (OT) with several Withhold Release Order updates, and we even recently recognized our 14th anniversary as the consolidated trade office within U.S. Customs and Border Protection (CBP). Here in DC, we've entered fiscal year (FY) 2021 and are gearing up for a busy holiday shopping season, paying attention to e-Commerce trends and Intellectual Property Rights. With Underwriters Laboratory's (UL) anti-counterfeiting week around the corner, it's a good reminder that as you begin your holiday shopping, please remember to purchase your gifts from reputable sites and stores. If the deal seems too good to be true, it probably is!

-Brenda Smith, Executive Assistant Commissioner, Office of Trade

UL World Anti-Counterfeiting Week

UL Be Safe Buy Real™ is an annual global campaign designed to raise awareness about the health and safety risks associated with counterfeit products. Last year was the inaugural campaign and it had astounding engagement, reaching over 8.5 million people globally. This year during the campaign week, UL will again share digital assets such as social media posts, interviews, articles, infographics, and videos, providing valuable insights that can influence purchasing decisions. The campaign will take place from November 16-20.

CBP has become one of over 20 global partners supporting the campaign in 2020. CBP is committed to halting the movement of counterfeit products across borders and reducing the potential health and safety risks they pose to the public and is featured on the campaign website as saying, "CBP protects American consumers from harmful, substandard, and counterfeit imports by ensuring the goods that enter the U.S. marketplace are genuine, safe, and lawfully sourced. In doing so, we create a level playing field for American businesses, fostering both economic prosperity and competitiveness in an ever evolving global market."

The Imaging Consumables Coalition of Europe, Middle East and Africa (ICCE) is another UL Be Safe Buy Real™ partner. Andrew Gardner, an ICCE Board Member, was quoted in the September 2020's Brand Protection Professional publication, saying, "It is essential for industry associations like ICCE to create awareness amongst consumers, resellers of products and government agencies to build a consensus and joint effort in the fight against the counterfeiters. Many counterfeit operations fund organized crime groups, which also run other illegal activities such as people and drug smuggling, tax evasion and slavery. Counterfeit consumables, even print cartridges, toners and ribbons, can be harmful to the people who buy them and they can damage expensive printing equipment. Our awareness campaigns are vital to ensure that consumers, resellers and government agencies are all aware of the dangers that counterfeit goods pose so that they understand the risks and know how to identify potentially fake products in the supply chain. Only when we combine our efforts do we make real inroads into tackling this harmful and criminal activity."*

This year, UL is also hosting the UL Anti-Counterfeiting Virtual Symposium on November 18, in partnership with the University of British Columbia Sauder School of Business to feature researchers and leaders of anti-counterfeiting initiatives and to discuss the health and safety effects of counterfeiting. Yi Qian, Associate Professor in the Marketing and Behavioral Science Division of UBC Sauder University in Vancouver will be providing the keynote address. She is the perfect fit for our inaugural symposium, and we hope she will draw in other academics to the discussion. The symposium will also feature four additional respected researchers and engaging panel discussions. Panelists will include government, industry, and academic members. For more information about the UL Anti-Counterfeiting Virtual Symposium, [visit here](#).

Please email besafebuyreal@ul.org for more information. Sign up [here](#) to receive a daily email during UL World Anti-Counterfeiting Week to learn more about the drastic effects and dangers of counterfeiting and to join the fight against counterfeits.

*This article was first published in the Seventeenth Edition, Volume 5, Number 3 of *The Brand Protection Professional* on September 21, 2020.

New on @CBPTradeGov

10/6: @CBP values the opportunity to work with @TheJusticeDept, @ICEgov, @StateDept and all of our partners to make sure diamonds imported to the U.S. follow the Kimberly Process, and safeguard legitimate trade from "blood diamonds." <https://go.usa.gov/xGffs>

10/16: This has been a tremendous year at @CBP in our efforts at combating #ForcedLabor with a record of 13 Withhold Release Orders. Here, Deputy Commissioner Perez provides an update on our #ForcedLabor efforts. Learn more at <https://go.usa.gov/x7qbM>

10/20: @CBP issued its first Forced Labor Finding since 1996 today against Inner Mongolia Hengzheng Group Baoanzhao Agriculture, Industry, and Trade Co., Ltd. (Baoanzhao). <https://go.usa.gov/x7ayC>

CBPTrade in the News

■ Counterfeit Richard Mille watches seized in Cincinnati – Fox 19 – 10/22

■ CBP issues forced labor finding for stevia imports from manufacturer in China – Supply Chain Drive – 10/21

The Trade News Snapshot is a monthly newsletter from the Office of Trade highlighting important programs, information, and updates for our trade partners and the public.

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U.S. Customs and
Border Protection

CBPTRADE



CBP Prevents \$287M of Duty Evasions through “Game-Changing” Enforce and Protect Act

In FY 2020, CBP prevented importers from evading \$287 million in duties owed to the U.S. government through the [Enforce and Protect Act \(EAPA\)](#). This is a 500% increase since the beginning of the EAPA program in FY 2017.

As the second-largest revenue-collecting agency in the federal government, CBP uses EAPA to ensure that foreign companies and other entities exporting goods into the United States pay the correct duties associated with their products. The U.S. Government adds duties to imports produced by companies that receive subsidies in their home country or have other advantages that allow them to sell the good for less than market value in the United States.

When exporters find ways to evade paying these [antidumping and countervailing duties \(AD/CVD\)](#), they have an unfair advantage over domestic companies, as they can afford to sell their goods at a lower price. Duty collection gives American businesses a fair chance to compete in the same market. The significant increase in the prevention of duty evasion since FY 2017 is a testament to CBP’s ability to ensure a level playing field for American businesses through EAPA.

“Under EAPA, CBP’s work with the trade community on allegations of duty evasion has been a game-changer in combating unfair trade practices and leveling the playing field for U.S. businesses,” said CBP Acting Commissioner Mark A. Morgan. “CBP is exercising this authority to protect American businesses from those using fraud and evasion to undermine our economy.”

The majority of AD/CVD evasions investigated through the EAPA program this year involved Chinese goods transshipped through Cambodia, the Dominican Republic, India, Malaysia, Laos, Taiwan, Turkey, Thailand, or Vietnam. Some of the most common evasion schemes include illegally shipping goods through a third country or attempting to undervalue or misclassify goods upon entrance into the United States. One recent case involved the illegal shipment of Chinese-origin xanthan gum through Malaysia to avoid a 154.07% duty rate, and another involved importers claiming a \$0.08 per kilogram duty rate for Chinese-origin fresh garlic, when the actual duty rate of \$4.71 was nearly 6,000% higher.

The difference between \$0.08 and \$4.71 adds up quickly when more than 61 million kilograms of fresh garlic from China crossed the border in 2019 according to the U.S. Department of Agriculture. These duties can be the difference between American garlic farmers selling their product or not. They also ensure that American consumers have a variety of options to choose from and that the U.S. government receives the revenue it needs to continue to protect Americans from unsafe and illegal goods. Read more [here](#).

CBP Issues Detention Order on Palm Oil Produced with Forced Labor in Malaysia

Effective September 30 at all U.S. ports of entry, CBP will detain palm oil and palm oil products made by FGV Holdings Berhad and its subsidiaries and joint ventures.

CBP’s Office of Trade directed the issuance of a Withhold Release Order (WRO) against palm oil and palm oil products made by FGV based on information that reasonably indicates the use of forced labor. The order is the result of a year-long investigation that revealed forced labor indicators including abuse of vulnerability, deception, restriction of movement, isolation, physical and sexual violence, intimidation and threats, retention of identity documents, withholding of wages, debt bondage, abusive working and living conditions, and excessive



overtime. The investigation also raised concerns that forced child labor is potentially being used in FGV’s palm oil production process. Read more [here](#).



CBP Detains Shipment of Chinese Apparel Suspected to be Made with Forced Labor in Xinjiang

Recently, CBP personnel at the Los Angeles/Long Beach Seaport detained a shipment containing 32 cartons of women’s leather gloves suspected to have been manufactured using forced labor. The shipment originated in China’s Xinjiang Uyghur Autonomous Region, where the Chinese government is engaging in systemic human rights abuses against the Uyghur people and other ethnic and religious minorities.

CBP detained the shipment in September in accordance with a [WRO](#) on apparel manufactured by Yili Zhuowan Garment Manufacturing Co., Ltd. and Baoding LYSZD Trade and Business Co., Ltd. That WRO was the product of a months-long CBP investigation that identified forced labor indicators at Yili Zhuowan and Baoding manufacturing sites including the restriction of movement, isolation, intimidation and threats, withholding of wages, and abusive working and living conditions. Read more [here](#).

Latest Trade Federal Register Notices

- 85 FR 67003 - [Application for Exportation of Articles Under Special Bond](#)
- 85 FR 67004 - [Foreign Trade Zone Annual Reconciliation Certification and Record Keeping Requirement](#)
- 85 FR 66574 - [Notice of Finding That Certain Stevia Extracts and Derivatives Produced in the People's Republic of China With the Use of Convict, Forced or Indentured Labor Are Being, or Are Likely To Be, Imported Into the United States](#)

New Cargo System Messaging Service Updates

- CSMS #44553480 - [Modification of Section 201 Action on Solar Cells and Panels: Adjustment of Duty Rate for Fourth Year of Safeguard Measure and Revocation of Bifacial Panel Exclusion](#)
- CSMS #44551734 - [2021 Cotton Fee Update](#)
- CSMS #44522284 - [Initiation of AD and CVD Investigations: Certain Aluminum Foil from multiple countries](#)
- CSMS #44639601 - [GUIDANCE: Generalized System of Preferences \(GSP\) Eligibility under United States Trade Representative's GSP 2020 Annual Review](#)