

## **TRADE ENFORCEMENT AND REVENUE COLLECTION SUBCOMMITTEE**

### **1. General description**

- a. The objectives for the Subcommittee are to generate advice and develop recommendations that will improve enforcement of the trade laws of the United States and the collection of duties and fees.
- b. Trade enforcement and revenue collection is one of the guiding principles.
- c. Co-Chairs: Karen Kenney and Matt Fass (COAC); John Leonard and Jaye Williams (CBP); Tim Skud (Treasury)
- d. Number of participants from COAC: 7

### **2. Work Groups under Subcommittee**

#### **a. Regulatory Audit**

- i. **Timeline:** This Working Group had its first call on May 6 and its objective is to have recommendations by the public COAC meeting on August 7, 2013.
- ii. **Goal:** To receive COAC feedback on proposed enhancements and changes to CBP's Focused Assessment process.
- iii. **Composition of membership:** Members include importers, brokers, auditors, lawyers, CPAs.

#### **b. Intellectual Property Rights**

- i. **Timeline:** This Working Group began on May 8, for an undetermined duration, but with the goal of having recommendations to COAC in 90 days.
- ii. **Goal:** This Working Group will assess the feasibility of using Global Shipment Identification Number (GSIN) in the Distribution Chain Management as an indicator of IPR compliance of imported shipments. The Working Group is in the process of identifying 5 companies that currently use GSIN.
- iii. **Composition of membership:** Members include importers, brokers, forwarders, lawyers and CPAs.

#### **c. Antidumping/Countervailing Duties**

- i. **Timeline:** Tasking completed within 30-60 days
- ii. **Goal:** This Working Group is conducting an informal survey of brokers to determine why more AD/CVD filings are not filed in ACE.

iii. **Composition of membership:** Membership is currently being assembled.

d. **Bonds**

i. **Timeline:** The members of this Working Group are in the process of being assembled and the Working Group will be announced at the May 22<sup>nd</sup> COAC public meeting.

ii. **Goal:** This Working Group seeks COAC feedback on creating a Single Transaction Bond.

iii. **Composition of membership:** Members are in the process of being selected by Co-Chairs and will include members of the sureties industry, importers, and brokers.

3. **Highlights**

**Accomplishments**

**Regulatory Audit Working Group**

- Updating the Focused Assessment Pre-Assessment Survey Audit Program to align with the audit risk model in accordance with current Government Auditing Standards.
- Adding procedures to obtain certain information from the auditee and evaluate it earlier in the audit process (e.g., written procedures, general ledger trial balance).
- Replacing certain FA standardized forms and processes with comprehensive explanatory material in order to allow greater flexibility in tailoring the audit approach to suit the specific facts and circumstances of the auditee and its environment.

**Intellectual Property Rights Working Group**

- Developing Distribution Chain Management (DCM) to improve IPR enforcement and facilitate legitimate trade by enhancing CBP's targeting capabilities, and improving its ability to authenticate suspect goods. DCM's objective is for CBP to better segment IPR risk, thereby identifying and releasing shipments of authentic goods faster.
- Assessing the feasibility of using GS1 standards, specifically the standard identification key "Global Shipment Identification Number (GSIN)" in CBP's DCM initiative as an indicator of the IPR compliance of imported shipments.
- Preparing an explanatory process chart outlining the process by which the GSIN would be created, authenticated, and communicated within the supply chain by

the right holder and received by the importer; transmitted by the importer and received by CBP; and validated by CBP for release of the shipment as low risk.

### **Anti-Dumping Countervailing Duty (AD/CVD) Working Group**

- Analyzing the Trade's use of ACE to file AD/CVD, including discussing ways to develop a survey to find out what are some of the reasons that companies choose not to use ACE to file AD/CVD.
- Detailing how CBP can provide more AD/CVD guidance to the trade, and how the Trade could provide more trade intelligence to CBP.