

AD/CVD UPDATE

AD/CVD Enforcement Updates

Selected Fiscal Year 2014 Highlights

- CBP collected \$508.5 million in AD/CVD cash deposits, a 12 percent increase from FY 2013.
- CBP conducted 78 audits of importers of AD/CVD commodities identifying AD/CVD discrepancies with a value of \$14.5 million, and plus \$10.1 million in disclosures, penalties and interest; CBP collected \$8.5 million. Commodities involved in the audits include aluminum extrusions, bearings, candles, nails, lock washers, pencils, plastic bags, ribbons, shrimp, solar cells, steel pipe, tires, tissue paper, uncovered innerspring mattress units, wooden bedroom furniture, and wood flooring.
- CBP's AD/CVD targeting efforts led by the AD/CVD National Targeting and Analysis Group (NTAG) in Miami, Florida are achieving impressive results. AD/CVD NTAG targeting of imports of stainless steel sinks from China led to \$3.5 million in evaded AD and CVD identified in CBP entry summary reviews.

Industry highlights

- Frozen shrimp price increases: Certain types of frozen shrimp from several countries are subject to antidumping duties. According to the Southern Shrimp Alliance, since 2009 frozen shrimp import values have steadily increased, while domestic and import wholesale prices are trending upward.

Department of Justice (DOJ) Files Four Cases with the Court of International Trade (CIT) Targeting Antidumping Duty Evasion

The DOJ, on behalf of U.S. Customs and Border Protection (CBP), is seeking to recover antidumping duties and penalties levied by CBP in four cases involving imports of steel butt-weld pipe fittings, wire hangers, and polyethylene retail carrier bags from China. A combined total of about \$3.5 million of penalties and duties is being sought for collection.

United States v. 3A Industrial Supply, LLC (Oct. 5, 2014)

United States v. AMW Trading, Inc. (Oct. 8, 2014)

United States v. Six Star Wholesale Inc. (Oct. 8, 2014)

United States v. CoStar, Inc. (Nov. 4, 2014)

Three Importers Contest CBP's Requests for Single Transaction Bonds as Additional Security for AD/CVD Concerns in the CIT

CBP requests single transaction bonds as additional security to protect the revenue when it has reasonable suspicions that imports may be subject to additional AD/CVD duties. In three CIT cases filed in September and November 2014 involving imports of garlic from China and magnesia carbon brick allegedly from Vietnam, importers are beginning to challenge CBP's requests for single transaction bonds for AD/CVD concerns. The three cases are:

Kwo Lee, Inc. v. United States

International Fresh Trade Corp. v. United States

FedMet Resources Corporation v. United States

CBP AD/CVD Entry Processing in FY 2014

- CBP processed 279,890 new AD/CVD imports.
- CBP administered 1,532 AD/CVD instruction messages sent from the U.S. Department of Commerce, including 922 liquidation instructions to assess final AD/CVD duties.
- CBP assessed final duties on 142,481 AD/CVD entries.

Industry Outreach

- The annual CBP and Steel Industry Partnership meeting was held on October 21, 2014. CBP and the Steel Industry reaffirmed their partnership and will continue the steel seminar programs at the ports of entry. The U.S. steel industry works in partnership with CBP to enforce U.S. trade laws by providing trade intelligence and training to CBP personnel at various ports annually. Steel products constitute the largest group of AD and CVD orders, over 42 percent of all orders.
- CBP has an e-Allegations system to report trade violations at <https://apps.cbp.gov/callegations/>