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ON

"Customs Trade Enforcement"

July 16, 2014 Washington, DC Chairwoman Landrieu, Ranking Member Coats, and Members of the Subcommittee, it is an honor to appear before you today to discuss U.S. Customs and Border Protection's (CBP) role in facilitating international trade and enforcing our trade laws.

CBP has a dual mission of protecting national security objectives while facilitating legitimate trade and travel, and plays a vital role in promoting the country's economic prosperity and security. CBP is the second largest revenue collecting source in the federal government and our operations have a significant impact on the security and facilitation of legitimate international commerce and America's economic competitiveness.

Our trade mission is highly complex. We are responsible for enforcing nearly 500 U.S. trade laws and regulations on behalf of 47 federal agencies, facilitating compliant trade, collecting revenue, and protecting the U.S. economy and consumers from harmful imports and unfair trade practices. Fraudulent trade activities, including the import of counterfeit and pirated goods, threaten America's innovation economy, the competitiveness of our businesses, the livelihoods of U.S. workers, and, in some cases, national security and the health and safety of consumers.

Annually, CBP manages over 300,000 active unique importer-of-record numbers, accounting for 30.4 million commercial transactions, which represents approximately \$2.4 trillion dollars in imports and generates over \$40 billion dollars in duties, fees and taxes. In addition to applying the multitude of daily tariffs and the processing of mass amount of commercial shipments, CBP must also consider the complexities of enforcing U.S. Free Trade Agreement (FTA) commitments. The United States has existing FTAs with 20 countries and is currently negotiating the Trans-Pacific Partnership Agreement with 11 Asia-Pacific region countries, and the Transatlantic Trade and Investment Partnership (T-TIP) with the European Union. These are important agreements for the United States that will promote U.S. international competitiveness, jobs, and growth. In FY 2013 alone, FTAs accounted for over \$676 billion in imports.

CBP's Layered Trade Enforcement Strategy

As the nation's border enforcement agency, CBP is responsible for detecting and interdicting goods imported to, exported from, and transiting through the United States by means of fraudulent trade activities intended to avoid the payment of duties, taxes and fees, or activities meant to evade U.S. legal requirements for international trade. Central to all of CBP's multilayered trade enforcement activities are the continuous enhancements to our targeting programs, the expansion of our trade intelligence, and our ability to identify and understand trade risks whether they affect national security, U.S. business competitiveness, or the collection of revenue. We obtain information about shippers, producers, importers, cargo and vessels, as early as possible in the shipping process. Using advanced targeting techniques, we build and maintain a knowledge base about the people, companies, facilities, conveyances and cargo involved in the supply chain.

Enforcement of trade laws and interdiction of illegal cargo are based on advanced risk-based targeting. CBP performs targeting activities throughout the import process — depending on the pathway — prior to departure from origin, before cargo arrives at a port of entry, at time of entry, and after the cargo is conditionally released. In accordance with the Trade Act of 2002,

P.L. 107-210, and the SAFE Port Act of 2006, P.L. 109-347, carriers are required to submit manifest data containing an inventory of all goods, supplies, cargo, and persons on board a conveyance or container in advance of arriving at a port of entry. Filers submit entry/entry summary information to declare specific commodity information to CBP for clearance and payment of duties, and the manifest and entry information is integrated into "shipments" for vetting through CBP's Automated Targeting System (ATS). ATS is a critical decision support tool that CBP uses to assess the risk of goods entering the United States. ATS incorporates information from other CBP systems, as well as, other law enforcement databases to use in its risk assessment. ATS provides a uniform screening of all its cargo transactions and identifies anomalies based on numerous risk factors.

Shipments matching ATS targeting factors are presented to CBP officers assigned overseas with the Container Security Initiative (CSI), targeters at our numerous Advance Targeting Units (ATUs) located at our domestic ports of entry (POEs), as well as our seasoned experts at the National Targeting Center for Cargo Operations (NTC-C). Upon arrival of cargo at a port of entry, using targeting results to prioritize inspection of high risk cargo, CBP has the authority to perform an exam of the goods; detain, seize, or request re-export of the goods; or release the goods. In the post-entry environment, CBP assesses duties, determines statutory and regulatory compliance, and collects import statistics. Effective targeting not only enables CBP to detect and address potential risks before a shipment arrives at a port of entry, but it also enables CBP to separate low-risk and legitimate shipments from those that require additional scrutiny.

When it comes to targeting shipments for potential threats to consumer safety, the Commercial Targeting and Analysis Center (CTAC) is a CBP facility designed to streamline and enhance federal efforts to address import safety issues. Created in 2009, the CTAC facilitates information sharing amongst 11 participating government agencies (PGAs), while simultaneously developing, implementing and streamlining cohesive import-safety enforcement procedures that drive further interdiction of harmful and inadmissible goods. Supporting CBP's unified trade targeting mission, the NTC-C has an embedded presence at the CTAC facility, driven to heighten the connectivity between the PGAs admissibility mission and the NTC-C's 24/7 operational capabilities.

The National Targeting and Analysis Groups (NTAGs) are the primary national trade targeting assets for CBP. NTAGs provide in-depth risk analysis for high priorities such as Intellectual Property Rights (IPR) and Antidumping and Countervailing Duty (AD/CVD). The NTAGs work in concert with the Centers of Excellence and Expertise (CEE), and the NTC-C Tactical Trade Targeting Unit (T3U), to enhance trade targeting expertise. These entities work with the entire cycle of trade fraud enforcement—from information intake, analysis, targeting, investigative case support, and operational assessments.

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¹ The 11 federal agencies that participate in the CTAC include: CBP; U.S. Consumer Product Safety Commission; U.S. Department of Agriculture Animal Plant Health Inspection Service; Food Safety and Inspection Service; U.S. Immigration and Customs Enforcement Homeland Security Investigations (ICE/HSI); U.S. Environmental Protection Agency (EPA); Pipeline and Hazardous Materials Safety Administration (PHMSA); National Highway Traffic Safety Administration (NHTSA); Food and Drug Administration (FDA); U.S. Fish and Wildlife Service (FWS); and the National Marine Fisheries Services (NMFS).

Trade intelligence is vital component of effective trade targeting. The establishment of the NTC in December 2001, and the development of partnerships with other agencies, both domestically and abroad, has enabled real-time information sharing between agencies and governments. Partnerships with Immigration and Customs Enforcement Homeland Security Investigations (ICE/HSI), the Drug Enforcement Administration (DEA), the Financial Crimes Enforcement Network (FinCEN), and the Departments of Commerce (Commerce) and Health and Human Services (HHS) promote information sharing and the exchange of best practices. Collaboration with foreign governments results in seizures and detection of threats at our borders and in foreign ports.

The trade community is an essential element to expanding CBP's trade intelligence. Through collaboration with industry, CBP deepens its understanding of the way business and industry operates in the ever changing global marketplace and leverages that information for risk analysis and targeting. CBP has developed effective working relationships with many U.S. industries, which regularly provide intelligence on specific companies and imports as well as technical commodity information. Key to CBP's collaboration with industry and our efforts toward building bi-directional trade education are CBP's 10 Centers of Excellence and Expertise (CEEs). The CEEs are redefining how CBP works collaboratively with industry members to understand trade risks. By focusing on industry-specific issues, CBP is able to provide tailored support to unique trading environments. The CEEs are helping to increase uniformity and expertise across CBP for the administration of industry-specific trade enforcement. The CEEs are just one of CBP's Trade Transformation Initiatives supporting CBP's efforts to target the evasion of U.S. trade laws, protect the revenue of the U.S. Government, and ensure a level playing field for U.S. industry.

Each of these entities brings a particular targeting skill set to the table. For example, by virtue of the CEEs industry-based knowledge, CBP can utilize critical trade intelligence in our enforcement efforts. Additionally, because of the NTAGs' expertise, CBP can better understand the overlapping risk areas within each industry sector. Integrating these knowledge areas is an enforcement priority for the agency. By creating a common operating picture that identifies risk within the trade arena, CBP can quickly act on fraudulent trade schemes. Moreover, by leveraging expertise within each targeting unit, CBP deepens its trade enforcement posture, resulting in more effective outcomes. For example, in FY 2014, referrals from the T3U resulted in 179 seizures with a Manufacturer's Suggested Retail Price (MSRP) value of over \$5.3 million.

Integration of these national targeting groups is crucial, as each provides support for our law enforcement partners, such as ICE/HSI Agents assigned to the newly formed National Targeting Center for Investigations (NTC-I). Partnerships between T3U and NTC-I personnel are leveraged as a force multiplier which has resulted in more effective sharing of information and increased outcome-based enforcement actions. For example, in FY 2014, the T3U supported \$60.7 million total MSRP from HSI case work, including 31 criminal arrests, 10 indictments, 8 convictions, 35 search warrants and 3 administrative arrests.

Antidumping and Countervailing Duty: A Priority Trade Issue

In the performance of its trade enforcement operations, CBP has identified several high-risk areas, designated as Priority Trade Issues (PTI) that can cause significant revenue loss, harm the

U.S. economy, or threaten the health and safety of the American people. PTIs drive risk-informed investment of CBP resources and enforcement and facilitation efforts, including the selection of audit candidates, special enforcement operations, outreach, and regulatory initiatives. The five current PTIs are Intellectual Property Rights; Textiles and Apparel; Import Safety; Trade Agreements; and Antidumping and Countervailing Duties (AD/CVD).

Under the Tariff Act of 1930, U.S. industries may petition the government for relief from imports that are sold in the United States at less than fair value ("dumped") or which benefit from subsidies provided through foreign government programs. Under the law, the U.S. Department of Commerce determines whether the dumping or subsidizing exists and, if so, the margin of dumping or amount of the subsidy. The United States International Trade Commission determines whether there is material injury or threat of material injury to the domestic industry by reason of the dumped or subsidized imports. AD/CVD has been identified by CBP as a PTI because collection of these duties is critical to the U.S. economy and U.S. business competitiveness.

While the vast majority of manufacturers, importers, customs brokers, and other parties involved in shipments of goods subject to AD/CVD orders accurately provide their shipment information to CBP and lawfully pay the duties due, CBP has a core statutory responsibility to collect all revenue owed to the U.S. Government that arises from the importation of goods. CBP's AD/CVD trade program works to ensure that CBP implements a concerted, systematic approach to detecting and deterring the circumvention of AD/CVD laws, and liquidating transactions in a timely and accurate manner, while facilitating legitimate trade.

AD/CVD Collection Challenges

CBP's principal challenges with AD/CVD collection include identifying and eliciting payment from the small minority of non-compliant importers — while facilitating the larger universe of compliant importer shipments — and the nature of the AD/CVD system.

Some importers are unwilling or unable to pay the actual duties, and some are no longer in business when CBP issues a bill, leading to uncollected AD/CVD. Other importers, often in the form of shell companies and foreign non-resident importers, have no intention of paying any final duties, and disappear as soon as there is any indication that final duties may increase. This is particularly true for AD/CVD orders covering imports from China, and Chinese agriculture/aquaculture imports in particular. In FY 2013, uncollected AD/CVD on imports from China accounted for 95 percent of the uncollected AD/CVD.

In addition, some importers participate in schemes to intentionally evade AD/CVD liabilities. Evasion schemes take on several forms and often involve the collusion of multiple parties, including the manufacturer, shippers, and the importer. Several schemes, like the ones listed below, may be used simultaneously, to avoid AD/CVD liability and further complicate detection efforts:

• **Transshipment** involves the illegal manipulation of products, packaging, documents and shipping logistics to disguise the true country of origin of a product.

- **Undervaluation** is the falsification of documents and declarations to reduce the amount of AD/CVD a company must pay. Beyond the suspicion of undervaluation, it can be difficult to sufficiently prove that it is occurring, especially if there is collusion between the producer and importer to create false values.
- **Failure to manifest** (i.e. smuggling) is when a company does not declare goods on its entry documents in order to avoid paying AD/CVD duties.
- Misclassification involves improperly declaring goods with the proper duty
 classification, or mis-describing the goods to avoid suspicion of dumping. This is easier
 to detect and address than other schemes, but is often used in combination with another
 scheme such as transshipment, so that it may still appear to fall outside the scope of an
 AD/CVD case.

A particularly challenging scheme importers use to evade AD/CVD is employing "shell companies," which are companies with no assets or physical presence in the United States, as a primary means of avoiding payment. In addition, CBP has limited legal recourse in collecting debts from importers located in other countries. When CBP cannot collect from the importer, the amount of the bond is often insufficient to cover the additional duties – which can rise above 400 percent of the dutiable value. While the use of bonding as security for the payment of AD/CVD is convenient for the trade, it also presents a set of challenges to the Government, such as legal challenges from sureties whose bonds secure AD/CVD bills. Further, while bonds can provide some assurance to the U.S. Government that duties will be paid, setting bonding levels for AD/CVD imports is a challenge for CBP because the final duty liability and payment risk are unknown at the time of importation of AD/CVD entries. Moreover, bonding alone simply cannot mitigate all of the serious collections issues posed by the current retrospective AD/CVD system.

Internally, the current automated import system used by CBP, the Automated Commercial System (ACS) also provides AD/CVD enforcement challenges. ACS is not designed to track and record AD/CVD liquidations that occur by operation of law, nor does it afford CBP the ability to determine with absolute certainty the amount or existence of single transaction bonds (STBs). However, the continued deployment of CBP's Automated Commercial Environment (ACE) will address these challenges.

All of these challenges affect CBP's ability to collect owed duties. Despite these challenges, CBP actively pursues collection of all unpaid AD/CVD claims against delinquent importers and sureties.

AD/CVD Enforcement

CBP is constantly developing new AD/CVD enforcement protocols to meet the challenges posed by the increasing complexity of AD/CVD evasion schemes. As with other trade areas, quality intelligence and advanced targeting is key to effective enforcement. CBP identifies potential evasion by working with U.S. industry, ICE/HSI, other U.S. government agencies, and our international partners to develop new sources of information to identify AD/CVD circumvention.

To detect AD/CVD evasion, CBP employs significant assets from across the Agency and uses many tools, including import trade trend and valuation analysis, the use of targeted reviews and audits, lab testing, and special operations. In FY 2013, CBP completed 88 AD/CVD audits covering multiple importers of AD/CVD commodities. Through these audits, CBP identified AD/CVD discrepancies with a value of approximately \$71 million, and has collected over \$46 million. CBP is continuing to pursue collections on all money owed to the U.S. Government.

Another effort CBP is pursing to enhance its trade enforcement capabilities is increasing the quality and integrity of the information collected from the importing community. Additional information would assist CBP in addressing the significant challenge of identifying shell companies who avoid paying large sums of duty, including AD/CVD. CBP is in the process of revising a key importer form to require additional information. With these revisions, CBP expects that it will become more knowledgeable about new importers and be better equipped to screen for shell companies and improve risk assessment for targeting of shipments. The revised form seeks to capture more detailed company information, and more information about individuals involved, such as the importer, company officer, and sole proprietor of the goods being imported. Early identification of shell companies can improve targeting (and ultimately collection), while link analysis can allow better monitoring of behavior that deviates from the corporate identity presented to CBP.

Invaluable to the enforcement of all trade laws, CBP's Laboratories and Scientific Services Directorate (LSSD) has been part of trade enforcement since 1841. LSSD plays a key part in the enforcement of such disciplines as AD/CVD, classification, value, transshipment, intellectual property rights and counterfeit materials and finished products. In FY 2013, this division handled 1,298 samples relating to 766 cases of importations of suspect AD/CVD violations. LSSD analyzes a wide range of commodities, including honey, garlic, plastic carrier bags, steel, bearings, wax candles, paper, pasta, hardwood and decorative plywood, and mushrooms.

One of CBP's most valuable partners in AD/CVD enforcement is the trade community. U.S. industry, trade associations, and importers provide critical insight to CBP on enforcement issues related to developments in AD/CVD and other trade sensitive imports, and advise CBP staff on the latest industry-wide changes for such commodities. CBP meets regularly with U.S. industry representatives to discuss AD/CVD circumvention schemes, and U.S. industry representatives share valuable market and product intelligence with us. Partnerships with the trade community are critical to rooting out unfair trading practices. The trade community provides market intelligence and commodity expertise to identify unfair trading practices or illegal trading activity.

In order to facilitate the process for the trade community to provide us with this critical information, we created an online referral process called e-Allegations. Since e-Allegations inception in June 2008, CBP has received more than 9,784 commercial allegations via www.cbp.gov. Nearly 10 percent of these allegations are AD/CVD-related. Every allegation submitted through e-Allegations is reviewed and researched to determine the validity of the trade law violation(s) being alleged. Some are reviewed and resolved internally within CBP, and some are referred to ICE for further investigation. All allegations that include contact information are followed up to develop more information and to allow CBP to keep the allegers of our enforcement progress.

AD/CVD Collection Efforts

CBP, in collaboration with ICE/HSI, has had increasing success in identifying, penalizing, and disrupting distribution channels of imported goods that seek to evade AD/CVD. CBP personnel refer many cases of AD/CVD evasion to ICE/HSI for criminal investigation and, after building the cases until they are ready for investigation, CBP works closely with ICE/HSI to establish the evidence of criminal violations. In FY 2013, ICE/HSI criminal investigations, with CBP support, successfully disrupted distribution networks of numerous types of imported Chinese goods evading AD/CVD, including:

- Operation Honeygate, where ICE/HSI, in collaboration with CBP, exposed a criminal network responsible for evading \$180 million in antidumping duties on imported Chinese honey. Several individuals were imprisoned for their criminal activities and two of the nation's largest honey suppliers paid millions of dollars of fines.
- An ICE/HSI investigation with substantial CBP support that culminated in the criminal indictments of Chinese, Taiwanese, and U.S. companies and company officials for illegally transshipping lined paper from China in order to evade over \$25 million in antidumping duties.
- ICE/HSI agents working jointly with CBP offices arrested five individuals and indicted three companies who allegedly participated in a conspiracy to illegally import aluminum extrusions from China transshipped through Malaysia to avoid over \$25 million in AD/CVD duties.

CBP's targeting and enforcement activities are applied at every stage in the import process. Numerous enforcement activities related to AD/CVD enforcement occur at our Nation's ports of entry when the shipment arrives. For instance, in FY 2013, CBP cargo examinations and entry reviews revealed evasion of AD/CVD duties for aluminum extrusion products from China, which led to the recovery of over \$5 million. Another example is when two port operations on candles from China identified misclassifications, resulting in the receipt of almost \$1.1 million in antidumping duty. A third case involving local operations and blitzes conducted by one CBP field office on multiple AD/CVD commodities recovered a total of over \$6 million in AD/CVD duties. CBP staff at ports of entry are continuously reviewing import information to detect AD/CVD evasion and noncompliance, deter future evasion, and bring importers into compliance with AD/CVD requirement.

CBP aggressively utilizes all available authority under the law to collect AD/CVD. CBP continued in FY 2013 to widely employ its legal authority concerning AD/CVD imports by requiring additional security in the form of single transaction bonds (STBs) to protect the revenue when CBP has reasonable evidence that a risk of revenue loss exists. These measures have been very effective in protecting the revenue and facilitating compliance with AD/CVD. Although each import transaction is judged on its own merits, CBP has provided guidance to field personnel on the appropriate and consistent use of the port's authority to enforce against AD/CVD evasion by taking actions such as requiring "live" entry (that is, payment of estimated duties at the time of entry along with entry summary documentation) or additional bonding, such as STB, when the port has developed a reasonable AD/CVD concerns that acceptance of a transaction secured by a continuous bond alone would place the revenue in jeopardy.

A key component of CBP's strategy to resolve AD/CVD debts involves the creation of a team within the Office of Administration dedicated to AD/CVD collections. CBP anticipates that the creation of the AD/CVD Collections team will enhance CBP's technical expertise to deal with the unique complexities of the AD/CVD process; enable CBP to identify importers unwilling or unable to pay outstanding bills earlier; and provide deeper integration of the full AD/CVD processes to anticipate AD/CVD debts rather than simply react to those debts after they are formally established.

Additionally, CBP has developed a 5-year AD/CVD strategic plan to maximize resources for detection and evasion enforcement through advanced targeting and analysis, and to streamline our administrative process.

CBP's Trade Transformation

CBP recognizes its critical role in the economy and has responded by embarking on a "Trade Transformation" – a series of initiatives that create efficiencies for U.S. businesses, the Government, and the consumer. In addition to imports, CBP is working to modernize its export process in support of both the President's National Export Initiative to streamline the export process and foster growth for U.S. companies and the Export Control Reform Initiative to bolster competitiveness of key U.S. manufacturing and technology sectors. Even as trade volumes continue to rise, these initiatives strengthen CBP's capabilities and the Nation's economic competitiveness by lowering the cost of doing business, strengthening enforcement efforts, and leveling the playing field for U.S. companies.

Through the implementation of CBP's Trade Transformation initiatives, such as the creation of the CEEs, we are working to increase the Nation's economic competitiveness by lowering the cost of doing business, removing barriers to facilitation, and leveling the playing field for U.S. companies. Additionally, these transformative efforts help CBP strengthen trade enforcement efforts and address ongoing challenges such as AD/CVD collection, by improving and modernizing its trade processes.

CBP's Trade Transformation initiatives not only seek to create efficiencies within the agency's business processes, but also seek to develop a consistent "One U.S. Government" approach at the border. CBP, in collaboration with 47 Partner Government Agencies (PGA) that have equities in the trade process, is working toward standardizing Government procedures, streamlining processes, driving efficiencies through automation, and aligning and harmonizing processes with industry business processes.

The need for consistency and harmonization has been a driving force behind our automation efforts. Currently, there are hundreds of paper forms being used to import and export goods. Through the Automated Commercial Environment (ACE), CBP's cargo processing system, we are transforming trade transactions to be more efficient, standardized, simplified, less costly, and more predictable for importers and exporters. ACE will streamline collection and improve enforcement with new automation tools. Electronic bond processing, or e-bond, will be deployed in January next year, and will automate the STB process, enhance tracking ability, and provide enhanced traceability to corresponding transactions for ACE Entry Summaries. ACE

will fully replace ACS and improve liquidations, including the ability to indicate and track liquidation by operation of law. ACE also provides for improved communication between CBP, PGAs, and the trading community. ACE's information-sharing capabilities make it easier for importers to file their information with CBP, and enables CBP to target and assess risk earlier in the supply chain. As ACE functionality is introduced, the associated segments of its predecessor, ACS, are being retired. ACE is being developed and deployed in increments, and is expected to be fully functional by December 31, 2016. Through ACE and e-bond, manual processes will be streamlined and automated, paper will be virtually eliminated, and the international trade community will be able to more easily and efficiently comply with U.S. laws and regulations.

In February 2014, President Obama issued an Executive Order (E.O. 13659), *Streamlining the Export/Import Process for America's Businesses*, which, among other things, directs federal agencies with a role in trade to design, develop, and integrate their requirements into an electronic "Single Window," known as the International Trade Data System, by December 2016. ACE will ultimately serve as the "Single Window" and enable businesses to electronically transmit the data required by the U.S. government to import or export cargo, replacing current practices which are often paper-based and sometimes redundant. This approach will ensure cargo is more secure, will reduce transaction costs for both the government and the trade, and will expedite cargo release. The Executive Order also requires agencies to work together to enhance supply chain processes so that the United States can compete more effectively in the world marketplace.

CBP is also working to design a Government-wide 'trusted trader' partnership program that would integrate CBP's Customs-Trade Partnership Against Terrorism (C-TPAT) and the Importer Self-Assessment (ISA) with other U.S. government trusted trader programs. On June 16, 2014, CBP, in collaboration with the U.S. Consumer Product Safety Commission (CPSC) and the U.S. Food and Drug Administration (FDA), announced the joint effort to begin the testing of the Trusted Trader program.² This pilot is expected to inform a comprehensive trusted trader program that standardizes program participation criteria and assists CBP in addressing supply chain security, trade compliance, financial compliance, and enforcement. The program would allow CBP to redirect resources to unknown and high-risk importers, while improving predictability and transparency.

Conclusion

CBP will continue to apply advanced risk-based targeting to enforce trade laws and interdict illegal cargo to ensure the implementation of statutory and regulatory authorities and to minimize loss of revenue. CBP will continue to prioritize enforcement actions and compliance initiatives in support of U.S. AD/CVD laws.

CBP works closely with the Department of Commerce, Department of the Treasury, the U.S. Trade Representative, and all other relevant agencies to pursue all available avenues to improve the level of duty collection, ensure importer compliance and prevent loss of revenue. CBP

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² Federal Register Notice, June 16, 2014, Announcement of Trusted Trade Program Test. https://www.federalregister.gov/articles/2014/06/16/2014-13992/announcement-of-trusted-trader-program-test

closely collaborates with ICE/HSI to substantiate and act upon duty evasion allegations to support enforcement actions, and to coordinate civil and criminal enforcement of AD/CVD laws. Together, CBP and ICE/HSI continued to train field staff on AD/CVD enforcement.

CBP is committed to working with other government agencies to quickly identify and resolve collection problems, while ensuring that all relevant stakeholders understand these issues and are engaged in developing solutions to facilitate legitimate trade and protect the U.S. economy. CBP will continue to work closely with U.S. industry to obtain the key trade intelligence that is critical to enforcing AD/CVD.

Ongoing enforcement efforts are bolstered by CBP's trade transformation initiatives, which increase automation, streamline processes, and facilitate trade for low-risk legitimate shipments. These combined efforts, reflect CBP's recognition of, and commitment to, its vital role in support of the U.S. trade agenda.

Chairwoman Landrieu, Ranking Member Coats, and Members of the Subcommittee, thank you for the opportunity to testify today. I am happy to answer any questions you may have.