



CSUSTL APPLAUDS USCMA DUTY EVASION VERIFICATION PROCEDURE AS A MAJOR STEP FORWARD FOR DUTY ENFORCEMENT

THE COMMITTEE TO SUPPORT U.S. TRADE LAWS FOR IMMEDIATE RELEASE:

(Washington, DC, October 18) -- The Committee to Support U.S. Trade Laws (CSUSTL) welcomes provisions included in Chapter 10 of the United States, Mexico, Canada, Agreement (USMCA) creating new procedures to address circumvention and evasion of trade remedy orders.

For almost a century, the United States (US) has promoted and employed America's antidumping and countervailing duty laws (AD/CVD) as our nation's first line of defense against unscrupulous trade practices. It is America's families, and our communities, who benefit most from these laws. But they must be effectively enforced, and duties actually collected, if they are going to work. Regrettably, the laws are constantly threatened by new and more subtle ways by our trading partners to illegally avoid payment of duties. Honey, bearings, furniture, steel, and many other industries, agriculture businesses, and workers have suffered as jobs have been lost and our economy damaged because of our inability to fully enforce existing AD/CVD orders.

US officials work to be increasingly vigilant in their management of the laws. The Enforce and Protect Act of 2015 (EAPA) created a framework to investigate allegations of evasion of AD/CVD orders, and then requires action be taken to remediate the evasion of these orders if such conduct is found to exist. But use of these laws is restricted to how well we are able to obtain the information needed to corroborate evasion. That can be very difficult.

CSUSTL expects changes included in Chapter 10 of the agreement, under Trade Remedies, will help improve enforcement of duty orders, once the details are properly worked out in the governing regulations. The new procedures will make more data available and provide easier access to it. The USMCA establishes procedures permitting the US to request a duty evasion verification by the other signatories to the agreement. Under this process the US is to have access to the other nation's territory to participate in the duty evasion verification, as well as the sharing of confidential information for purposes of determining whether duty evasion exists. CSUSTL looks forward to working with the United States Trade Representative (USTR) and US Customs Border and Protection (CBP) in supporting their implementation of the Chapter 10 methodologies.

Bonnie Byers, of King & Spalding, and a Co-Chair of the CSUSTL Government Affairs Committee, states "The provisions contained in Chapter 10 will result in improved coordination with our key trading partners to prevent the evasion of U.S. trade rules. This will help ensure that American companies and workers benefit from the relief these laws are intended to provide."

CSUSTL Enforcement Committee Co-Chair Nathan Rickard, of Picard Kentz & Rowe LLP, notes "Duty evasion schemes undertaken by a small group of traders have undermined the effectiveness of our antidumping and countervailing duty orders, particularly against unfairly traded imports from China. The inclusion of language specifically addressing duty evasion in trade agreements is a powerful demonstration of this Administration's commitment to enforcing our trade remedy laws."

The Committee to Support U.S. Trade Laws (CSUSTL) is an organization of companies, trade associations, labor unions, law firms and individuals committed to preserving and enhancing U.S. trade laws and supporting trade policies that benefit the United States-based productive economy. CSUSTL's members span multiple sectors, including manufacturing, technology, agriculture, mining, energy, and services. We are dedicated to ensuring that the laws against unfair trade are not weakened through legislation or policy decisions in Washington, DC, in international negotiations, or through dispute settlement at the World Trade Organization (WTO) and elsewhere.

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