

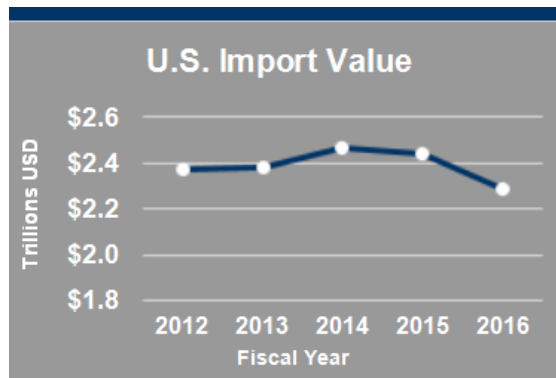
Targeting and Recovery

CBP processed more than **\$2.2 trillion** in imports in FY 2016. Additionally, CBP processed approximately **32 million** import entries, while collecting more than **\$44 billion** in duties, taxes, and other fees. Faced with this volume, CBP's trade enforcement efforts seek to better identify, detect, and interdict shipments at risk of duty evasion. CBP advances these efforts through partnerships with the private sector, advanced technology, and integrated enforcement.

Aligned with CBP's efforts to proactively target and respond to all allegations regarding revenue risk, the Revenue NTAG **identified over \$11.9 million in loss of revenue**, with significant revenue identified via audit referral in FY 2016. This revenue has largely been recovered, and the NTAG continues to address the Revenue PTI through national operations.

Trade Special Operations

The Revenue NTAG currently dedicates resources to trade special operations that target specific schemes or high concern commodities. The NTAG has long been focused on targeting undervaluation, especially of high duty rate commodities. Through these special operations, CBP recovers revenue from high-risk areas.



Reporting Suspicious Trade Activity

If you have any suspicion of or information regarding suspected fraud or illegal trade activity, please contact CBP through the e-Allegations website:

<https://eallegations.cbp.gov/Home/Index2>

Centers of Excellence and Expertise transform the way CBP approaches trade operations and work with the international trade community to expediently resolve trade compliance issues nationwide.

For more information, please visit:

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Office of Trade
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www.cbp.gov/trade/priority-issues

Revenue

Priority Trade Issue

Data reflective of fiscal year 2016



U.S. Customs and Border Protection

Office of Trade

Overview

CHICAGO NATIONAL TARGETING AND ANALYSIS GROUP



Revenue collection is one of CBP's most important and oldest functions, and has recently been re-designated as a **Priority Trade Issue (PTI)** for the agency, per the Trade Facilitation and Trade Enforcement Act of 2015, signed into law in February 2016. The Revenue PTI focuses on enforcing trade laws, facilitating legitimate trade, and collecting lawfully owed duties and fees.

CBP thoroughly scrutinizes revenue collection because of illicit attempts to evade duties and fees, which defraud the U.S. government and undermine lawful business. Today, CBP is the second largest revenue collector for the U.S. government, which exemplifies the significance of Revenue identified as a PTI.

The Revenue PTI supports CBP's mission by:

- **Facilitating the swift movement of legitimate trade** by enabling fair and lawful trade and travel, segmenting risk, and focusing actions in the post-entry environment;
- **Improving the United States' economic competitiveness** by enforcing trade laws while regulating and ensuring proper revenue collection;
- **Pursuing revenue collection** through a risk-based approach to identify and address violators and their circumvention schemes; and
- **Promoting** mechanisms, both traditional and innovative, to address revenue risks, while also improving trade intelligence and collaboration with government and industry partners.

What is a Priority Trade Issue (PTI)?

PTIs represent high-risk areas that can cause significant revenue loss, harm the U.S. economy, or threaten the health and safety of the American people. CBP focuses its actions and resources around PTIs to better direct an effective trade facilitation and enforcement approach.

Revenue NTAG

The Revenue National Targeting and Analysis Group (NTAG), located in Chicago, Illinois, provides a national strategic perspective on trade through risk analysis and multidisciplinary trade strategies. It develops and applies risk management techniques to support trade security and trade compliance.

The NTAG targets and identifies concerns that place revenue at risk through a variety of methods, including:

- Analyzing import data to identify revenue risk;
- Monitoring the effectiveness of targeting programs;
- Investigating referrals received through a number of channels such as the e-Allegations system; and
- Ensuring proper controls and oversight of the drawback process.

The NTAG has also been heavily involved in developing and delivering quarterly training classes for the Integrated Trade Targeting Network (ITTN), which is a network comprised of several federal entities involved with trade enforcement. In collaboration with the ITTN, the NTAG works to enhance CBP's trade targeting enterprise.

Risks and Controls

As the value of trade grows and the complexity of the global supply chain increases, CBP must be mindful of all current and developing revenue threats.

Some of the main material revenue risks include:

- **Misclassification** of imported goods to evade duties;
- **Undervaluation** of imported goods and the failure to include all associated costs; and
- **Misuse** of special provisions in the Harmonized Tariff Schedule to evade or reduce duties owed.

The Revenue PTI is heavily focused on reducing revenue risk, and the Revenue NTAG pursues this goal through several controls and strategies, such as:

- **Using comparative analysis** to identify undervaluation through unit value comparisons of high duty rate commodities; and
- **Setting resource priorities** through which CBP judiciously places resources in high-risk areas, targeting high-risk shipments and commodities to protect the revenue where it is most vulnerable.

