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### **CBP Removes Enhanced Bonding Requirements on Shrimp Imports**

*Tarpon Springs, FL* –Effective April 1, 2009, U.S. Customs and Border Protection (CBP) has terminated for future entries the enhanced bonding requirement on all shrimp imports in response to an unfavorable decision from the WTO. However, CBP left the door open to other similar programs that would address issues of uncollected antidumping duties, consistent with U.S. international obligations.

“This is a mixed ruling for the U.S. shrimp industry,” recognized John Williams, executive director of the Southern Shrimp Alliance. “CBP has removed the only effective program to collect antidumping duties from shrimp importers. But at the same time, CBP confirmed that it is working on a solution to aggressively enforce the shrimp antidumping orders.”

CBP developed the enhanced bonding program for the shrimp antidumping orders in response to a well-documented and persistent failure to collect all antidumping and countervailing duties—particularly on agriculture and aquaculture products. Even with the enhanced bonding requirement, CBP reported that it has been unable to collect \$42.5 million in antidumping duties on shrimp for fiscal year 2008— a figure that exceeds the total amount of antidumping duties actually collected on shrimp for that same fiscal year. If the amounts set out in CBP's Annual Report are correct, the agency was unable to collect 56.5% of the \$75 million in antidumping duties assessed in FY2008.

In July 2008, the WTO Appellate Body ruled that the United States could impose "reasonable security" on entries, but that the enhanced bonds, as applied to importers of shrimp from Thailand and India, were not "reasonable security." The ruling applied only to Thailand and India, but CBP revoked the enhanced bonding requirement for all six countries subject to antidumping orders.

On March 20, 2009, Louisiana Senators Landrieu and Vitter sent a letter to CBP calling upon the agency to construct a bonding program that is consistent with U.S. WTO obligations, but ensures that the U.S. retains an insurance policy for such enforcement. SSA also filed [comments](#) with CBP requesting modification of the enhanced bonding program to bring it into compliance with international obligations instead of elimination.

CBP responded to SSA's comments in its [April 1 Federal Register Notice](#), stating that it was "not abandoning its duty to protect revenue or its requirement of sufficient security." The agency acknowledged that it is "required to collect debts aggressively" and explained that it "continues to explore options to protect revenue and address issues of uncollected AD/CV duties, consistent with U.S. international obligations."

“We encourage CBP to implement new measures to collect duties owed on unfairly traded shrimp imports as soon as possible. The U.S. shrimp industry is denied relief from unfair trade when the antidumping orders are not fully enforced,” stated Williams.

SSA is an alliance of the U.S. warmwater wild shrimp fishery from eight states: North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, and Texas. For more information on the SSA, please visit [www.shrimpalliance.com](http://www.shrimpalliance.com).