



# Report In Brief

U.S. Department of Commerce Office of Inspector General



## Why We Did This Review

The mission of the Import Administration (IA) is to safeguard American industries and jobs against unfair trade by determining if foreign products sold in the United States are 1) being subsidized by foreign governments or 2) sold at less than “normal value,” a practice otherwise known as “dumping.” IA works to counter these practices by imposing additional customs duties on goods subsidized or dumped in the United States. More than 80 percent of administrative reviews conducted in FYs 2003 and 2004 were antidumping administrative reviews.

## Background

IA's Antidumping and Countervailing Duty (AD/CVD) Operations, is in transition. An August 2004 reorganization consolidated AD/CVD operations, but the bureau still is sorting out old issues from the previous structure. The bureau is still struggling to remedy is the lack of consistency in its operations. This was one of the concerns of Congress and the impetus for the reorganization. In addition, communication between units was poor, and the agency was reluctant to develop common standards, processes, and procedures for IA's work.

To view the full report, visit <http://www.oig.doc.gov/oig/reports/2005/ITA-IPE-16952-03-05.pdf>

## International Trade Administration

### *Import Administration Has Met Most Statutory Deadlines on Antidumping Reviews, but Management Attention Is Needed in Other Areas (IPE-16952)*

#### What We Found

In September 2004, we conducted a survey of IA's administrative review process for antidumping petitions filed by U.S. companies in order to (1) determine whether IA was meeting its statutory requirements; (2) analyze whether there were adequate policies, procedures, and guidance in place; (3) identify trends and practices related to administrative reviews; and (4) assess the adequacy of management tools and administrative controls used to manage administrative reviews. We also sought to identify areas for future OIG program reviews.

**Most statutory deadlines have been met, but management and administrative controls should be strengthened to help ensure continued compliance.** We found that IA was meeting its statutory deadlines for conducting annual administrative reviews for antidumping cases most of the time. This represents a significant improvement since our 1993 review of IA when we found that 32 percent of administrative reviews were late.

**Policies, procedures, and standards need improvement; management of official files needs attention; computer support needs restructuring; and the analyst training program should be improved.** IA also does not have adequate written internal guidance or an internal operations handbook that gives its analysts systematic instructions on how to conduct an administrative review. Such internal guidance is needed, in addition to the publicly available manual, to spell out “how-to” details. We found that IA does not adequately maintain official case files, which are stored in the Central Records Unit. IA's computer support staff is still divided into three teams reporting to three different managers based on the previous IA organizational structure. In addition, there is no formalized training program for existing analysts.

#### What We Recommended

We made 13 recommendations to IA to improve operations, including:

- ♦ Document (1) the management control process for meeting internal and statutory deadlines and (2) the roles and responsibilities of IA staff involved throughout the entire antidumping review process.
- ♦ Update the antidumping manual and develop and maintain an updated internal operations handbook to formalize current bureau practices.
- ♦ Take appropriate action to maintain backup files for vital records and adopt appropriate measures to safeguard the official files in the Central Records Unit.