

# IDENTIFICATION OF RISK AREAS



## U.S. CUSTOMS EXAMPLE

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# HIGH RISK ISSUE

- **US CANDLE INDUSTRY IS DAMAGED BY PETROLEUM WAX FROM CHINA**



# HIGH RISK ISSUE

- DEPARTMENT OF COMMERCE ISSUES  
A DUMPING ORDER ASSESSING 54 %  
ADDITIONAL DUTIES



# HIGH RISK ISSUE

- **CANDLES ARE A HIGH RISK PRODUCT FOR POSSIBLE TRANSHIPMENT & EVASION**

# STEP 1 - Collect Data & Information

- Outside Customs - National Candle Association provided data to identify possible transshipment from Hong Kong
- Inside Customs - Internal data sources used. Both historical and examination results gathered.

**AUTOMATED  
TOOLS USED TO  
OBTAIN DATA-  
INFORMATION**

# TAP2000 Home Screen

**Start Page - Microsoft Internet Explorer**

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Mail Print Edit

Address <http://tap2000/Default.asp> Go Links

## Trend Analysis & Analytical Selectivity Program

TAP Production Web Server  
Version 3.6e - Start Page

HOME FIND REPORT HELP

### TAP Status

Information about the Status of TAP 2000

Nightly Data Load

- Data Load complete. Entry Summary Line & Exam Result Query Data was last loaded on 08/08/2000

Aggregates

- ACS Imports range from 01/1994 through 06/2000
- Census Imports range from 01/1994 through 03/2000
- Census Exports range from 01/1994 through 04/2000

### News

News about TAP/ATS

National News

- TAP2000 3.6e, What is New.
- ATS/AT WISH LIST.
- New Version of ATS/AT Just Released.
- ATS-AT Training Update.

Local News

- Add National News.
- Add Local News (Your port is 9900).

James Wurth  
August 9, 2000  
Wednesday  
2:52pm EST

Done Local intranet

Start [00] 00:00 - CD ... File Manager - [D...] Microsoft Power... Start Page - ... Microsoft Word - ... 3:41 PM

# TAP2000 Report Display

**PM LIVE**

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Mail Print Edit

Address [http://tap2000/find/summary\\_tap.asp?UUID=010c07d1%2D036b%2D24275dc7%2D000033ea&AUTOREFRESH=YES](http://tap2000/find/summary_tap.asp?UUID=010c07d1%2D036b%2D24275dc7%2D000033ea&AUTOREFRESH=YES) Go Links >>

**TAP**  
**Census Imports - Summary**  
 Description: Entry type (Census): ' ', 0, 1, 2 AND Secondary SPI: ' ', F, G, H, V OR IS NULL  
 AND Date - Year (YYYY) (Use for Display Only): 2000 AND HTSUSA Number - 10 Digit:  
 3406000000 AND Country of Export: HK

ATS Hotline: 703-921-7610

HOME FIND REPORT LINKS HELP

	HTSUSA Number - 10 Digit	Country of Export	Country of Origin	Census Quantity 1	Census Quantity 2	Census Value
1. <input type="checkbox"/>	3406000000	HK	CH	15,401 (0.04%)	0	\$54,552
2. <input type="checkbox"/>	3406000000	HK	CN	21,551,432 (54.27%)	0	\$53,212,897
3. <input type="checkbox"/>	3406000000	HK	HK	16,478,709 (41.50%)	0	\$33,546,165
4. <input type="checkbox"/>	3406000000	HK	KR	1,509 (0.00%)	0	\$59,722
5. <input type="checkbox"/>	3406000000	HK	MO	1,382,314 (3.48%)	0	\$2,555,991
6. <input type="checkbox"/>	3406000000	HK	PN	28,000 (0.07%)	0	\$47,520
7. <input type="checkbox"/>	3406000000	HK	TH	2,900 (0.01%)	0	\$37,800
8. <input type="checkbox"/>	3406000000	HK	TW	248,159 (0.62%)	0	\$697,271
<b>Sub Total This Page:</b>				<b>39,708,424</b>	<b>0</b>	<b>\$90,211,918</b>
<b>Grand Total:</b>				<b>39,708,424</b>	<b>0</b>	<b>\$90,211,918</b>

Query ▶ 8 record(s) retrieved. Page 1  Per Page Close

Local intranet

Start Lotus ... Lotus ... Palm ... Micros... C DynaC... 8:53 AM



## **STEP 2 - Analyze and Assess Risk**

- Association analysis suggested Hong Kong exported more than twice the weight of candles it can produce.
- US Customs analysis support this analysis. Hong Kong one third (by weight) all candles entering the United States.

## **STEP 3 - Prescribe Action**

### **INTERVENTION RECOMMENDED**

- Research reveals five (5) major ports of entry of candles and suspect importers.
- Local random sampling of specific importers input into automated selectivity system.
- Results recorded in system for further analysis and reporting

# **STEP 4 - Track and Report**

- Examination and document review results reported in ACS (Automated Commercial System)
- Results tracked in IMS - Issue Management System (Computer Based Tool)



# Issue Management System

**IMS**

# IMS - Intervention Results

**Details for: Candles, Dumping Evasion on Chinese Petroleum Wax**

Details | Document | Key Dates & Status | Related | Results

Title:  Type:

Assignment Dt:  Assignment #:  Project #:

STC:

Focus Industry:

Assigned to:

Assisting ITS:

HQ ITM:

Originator:

Referred by:

Overview Remarks:

In April 2000, the National Candle Association provided Customs with compelling evidence of transshipment of Chinese Candles through Hong Kong and of large scale out-of-scope misdescription in order A570-504.

An intervention formulated at the SFSTC with the participation of OFO personnel has been reviewed and approved by STC management and re-reviewed after incorporating OFO comments.

Due to congressional interest, the