



# Homeland Security Investigations Commercial Fraud Unit



## FREE TRADE AGREEMENTS

The Homeland Security Investigations (HSI), Commercial Fraud Unit) manages HSI's Free Trade Agreements (FTA) program, which provides oversight and guidance on HSI investigations involving individuals and companies engaging in violations of the rules of FTAs and trade preference programs.

A major goal of FTAs is to promote fair competition, which increases trade opportunities and reduces barriers to trade of goods and services between the United States and the various FTA signatories. Merchandise that enters the United States under an FTA does so under favorable duty rates.

HSI's most significant investigative concern is conspiracy between companies to circumvent FTA origin requirements by entering goods using false country of origin claims. In many cases, goods are transhipped through an FTA country to disguise their true origin and eligibility, with the intent of receiving a duty preference established by the FTA. FTA violations also occur when importers falsely claim a product is manufactured in an FTA signatory country from qualifying materials, when it is actually made from non-qualifying materials that do not originate in a signatory country.

HSI trade fraud investigations are conducted to detect fraud and promote FTA compliance. They may result in significant recoveries of revenue. . HSI, in conjunction with CBP, engages with domestic and international partners to share intelligence and collaboratively investigate violations. United States-Mexico-Canada Agreement (USMCA) investigations are enhanced by the IPR Center partnership with the Government of Mexico Tax Administration Service. Additionally, HSI and CBP have developed and distributed training material consistent with current international trade agreement obligations.

The United States has 14 FTAs with 20 countries/signatories. Many of our FTAs are bilateral agreements between two governments. But some, like the USMCA and the Dominican Republic-Central America-United States Free Trade Agreement, are multilateral agreements.

The U.S. has FTAs with Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, South Korea, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, and Singapore.



FTA Partner Countries

