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BIS Upcoming Rule Deemed Exempt from 2-for-1 Order

It's a good start. The first major Bureau of Industry and Security (BIS) regulation of the new administration has been deemed exempt from the two-for-one executive order President Trump signed in January, BIS officials told the agency's Regulations and Procedures Technical Advisory Committee (RAPTAC) June 13.

That rule, which will implement changes from a recent meeting of the Missile Technology Control Regime (MTCR), is currently at the Office of Management and Budget (OMB) going through interagency review. "It took us a while to get there," Hillary Hess, director of BIS regulatory policy division, told the committee.

> BIS has not gotten an overall exemption, unlike its counterpart export control agency (see **WTTL**, April 3, page 1). Other rules will be decided on a rule-by-rule basis, Hess noted. A rule published June 15 correcting a previous Wassenaar implementation was deemed not to be a "significant" rule (see Briefs, page 10).

Under Executive Order 13771, the requirement to identify at least two existing regulations to be repealed for every new rule published does not include "regulations issued with respect to a military, national security, or foreign affairs function." State's Directorate of Defense Trade Controls (DDTC) has been deemed exempt from the rule, DDTC Chief Brian Nilsson told the Defense Trade Advisory Group (DTAG) in March.

Hess also noted that if future significant rules are not exempt, BIS is starting to look at potential regulations that could be removed. "Suggestions are welcome," she told the advisory committee.

Administration Chips Away at Cuba Travel Policy

To great hoopla but perhaps little immediate change, President Trump June 16 announced a new direction in administration policy toward Cuba. In essence, he

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reinstated the ban on individual "people-to-people" travel to the island, but left intact previously allowed group travel, diplomatic relations, family visits and remittances and other authorized individual travel. Those changes will only take effect when the relevant agencies issue their respective regulations.

The administration's changes specifically targeted transactions that involve Cuban military entities, particularly Grupo de Administración Empresarial (GAESA), which handles more than 50% of travel-related transactions, by some estimates. "The new policy makes clear that the primary obstacle to the Cuban people's prosperity and economic freedom is the Cuban military's practice of controlling virtually every profitable sector of the economy," a White House fact sheet noted.

Along with the announcement, Treasury's Office of Foreign Assets Control (OFAC) published new Frequently Asked Questions (FAQs), clarifying that "the announced changes do not take effect until OFAC issues new regulations," which should happen in the coming months. Commerce will implement any necessary changes via amendments to its Export Administration Regulations, and State will issue a "list of entities with which direct transactions generally will not be permitted."

> In general, "the new policy will not result in changes to the other (non-individual people-to-people) authorizations for travel," OFAC noted. OFAC also noted visitors who have already initiated travel arrangements or businesses that have put in place commercial engagements prior to the issuance of the forthcoming regulations will be permitted to continue those arrangements.

In its own set of FAQs, Bureau of Industry and Security (BIS) noted that "exports of agricultural products, medicine and medical devices are governed by statute and will not be impacted." The agency also said it does not anticipate that exports in support of the Cuban people, including to private sector entrepreneurs, will be restricted.

Lawmakers and industry groups were quick to respond to the changes, most denouncing the actions. Senate Finance Committee Ranking Member Ron Wyden (D-Ore.) promised to introduce a bill "to completely eliminate the ineffective embargo against Cuba," he said in a statement. "This administration's actions threaten to slam that door shut and revert to a failed policy of isolation that has done nothing to improve the lives of the Cuban people and has harmed the American economy," Wyden said.

Sen. Jeff Flake (R-Ariz.), who co-sponsored a bill in May to eliminate travel restrictions, echoed that sentiment. "Any policy change that diminishes the ability of Americans to travel freely to Cuba is not in the best interests of the United States or the Cuban people. It is time Senate leadership finally allowed a vote on my bipartisan bill to fully lift these archaic restrictions which do not exist for travel by Americans to any other country in the world. The bill has 55 total cosponsors and I am convinced it would pass the Senate with upwards of 70 votes," Flake said.

Flake and Patrick Leahy (D-Vt.) May 25 introduced Freedom for Americans to Travel to Cuba Act of 2017 (S.1287) (see **WTTL**, May 29, page 10). The bill would also end legal

prohibitions on travel-related transactions, including banking transactions. That same day, Sen. Amy Klobuchar (D-Minn.) and 13 bipartisan cosponsors introduced the Freedom to Export to Cuba Act of 2017 (S. 1286), which would eliminate legal barriers to Americans doing business in Cuba.

Wheat and grain industry groups also denounced the move, calling the changes "concerning because they could cut off these near-term sales while also stymieing the economic development that will drive long-term demand growth. Neither of those outcomes is favorable for the U.S. ag sector or the Cuban people, who do not have access to sufficient meat, milk and eggs," U.S. Grains Council (USGC) President and CEO Tom Sleight said in a statement.

> "We are disappointed that the Administration has decided to limit Americans' ability to engage in Cuba," said Richard Sawaya, USA*Engage vice president, in a statement. "The new restrictions announced today will harm American businesses and citizens without achieving their intended foreign policy objectives and set back U.S. leadership in the region," he added.

Legal observers noted the increased burden on travelers and regulatory agencies. "Those changes will make it much harder for Americans to travel to Cuba and will put a compliance burden on American travelers and an enforcement burden on OFAC, which administers and enforces the regulations. In all, though, it seems that Trump's announcement in Miami does not go quite as far as some had thought possible," Lawrence Ward, partner at Dorsey & Whitney law firm, said in an emailed statement.

Remaining USML Categories Moving Toward Reform

The last remaining U.S. Munitions List (USML) categories seem to be moving toward long-promised reform after years of controversy. Defense industry leaders, especially firearms manufacturers, are hopeful they could see a draft rule by the end of the year.

USML categories I, II and III (firearms and ammunition) have been the subject of much congressional interest, and now administration officials are saying 'we need to look at this,' BIS Acting Assistant Secretary Matt Borman told the agency's Regulations and Procedures Technical Advisory Committee (RAPTAC) June 13.

In a letter to Rep. Mark Walker (R-N.C.), State legislative affairs executive secretary Joseph Macmanus sparked some hope. "We are finalizing the three remaining categories of controls, with the goal of obtaining guidance to publish them for public comment as we did for the other 18 categories. This process was requested by industry, including the firearms and ammunition industry, to ensure the rules are clear and implementable," Macmanus wrote.

Walker and 144 other House members wrote a letter May 3 to Secretary of State Rex Tillerson and Commerce Secretary Wilbur Ross urging them to complete export control reform by publishing rules for the last three categories (see **WTTL**, May 8, page 4).

Industry sources are optimistic that they will see draft rules published in 2017. "It will take some time before we see the rules for our categories published in the Federal Register. But it is now clear things are moving forward again after the Obama administration blocked progress because of antigun political reasons," one told WTTL.

Proposals for the three remaining categories were drafted and ready to be published before the December 2012 Newtown school shootings and have been on hold since then. With the new administration, gun industry had high expectations of seeing the rules published.

U.S. Sugar Industry Now Backs U.S.-Mexico Agreement

American sugar farmers and producers changed course and now support a suspension agreement between Mexico and the U.S., the American Sugar Alliance (ASA) said June 15. ASA pledged their support after Commerce tightened the agreement to address a loophole (see **WTTL**, June 12, page 2).

> Commerce June 14 released the draft agreements suspending the antidumping and countervailing duty investigations on sugar from Mexico and invited the public to submit comments by June 21. Public comments will be considered before a scheduled signing of the final amendments to the agreements June 30. The published terms do not deviate greatly from the deal announced June 6, but industry appears placated.

"We've had productive conversations with Commerce Secretary Wilbur Ross over the past week, and we recognize that he is 100 percent dedicated to ending the job loss and injury caused by Mexico's predatory trade practices," ASA Spokesman Phillip Hayes said in a statement. ASA members also met with Agriculture Secretary Sonny Perdue, whom they characterized as sympathetic to their concerns.

"I am glad all parties have agreed that the new sugar agreement is fair and addresses the shortcomings of the original deal," Ross said in a statement. He thanked his industry and Mexican counterparts and said he looks forward to the public comments on the deal and is "hopeful that we can successfully implement this new agreement with the support and cooperation of all stakeholders."

Senate Passes Iran, Russia Sanctions Bill

In an overwhelmingly bipartisan vote June 15, the Senate passed the Countering Iran's Destabilizing Activities Act of 2017 (S. 722), that, if passed by the House, would slap sanctions on Iran related to the Islamic Republic's ballistic missile program. Thanks to an amendment introduced by Sen. Mike Crapo (R-Idaho), the bill also places sanctions on Russia for human rights abuses and interfering with U.S. elections. It limits the administration's ability to unilaterally roll back sanctions on Russia.

The bill passed the Senate 98-2, with only Sens. Rand Paul (R-Ky.) and Bernie Sanders (I-Vt.) opposing its passage. The Russia sanctions amendment passed in a 97-2 vote the day before. Paul and Sen. Mike Lee (R-Utah) opposed the measure, while Sen. Chris Van Hollen (D-Md.) supported it, but was unable to vote due to a kidney stone. Sen. Ben Cardin (D-Md.) previously pushed for the Russia sanctions bill in response to former FBI Director Comey's Senate testimony (see **WTTL**, June 12, page 7).

The Senate Banking Committee "examined the existing Russian sanctions architecture in terms of its effectiveness and economic impact. In Putin's calculus, the costs of the sanctions do not outweigh the benefits of occupying Crimea and contributing to unrest in Ukraine, continuing to support the Assad regime's assault on civilians in Syria, and conducting cyber-attacks on people, companies and institutions," Crapo said June 13. "The Crapo-Brown-Corker-Cardin amendment is an effective way to increase the pressure on Russia for its irresponsible conduct," he said from the Senate floor.

> At least one expert believes that the proposed Russia sanctions do little more than preserve the status quo. "The bill proposes a system of checks and balances before sanctions could be lifted by the President. At the end of the day, U.S. companies doing business in Russia today largely should not be impacted by the bill," Lawrence Ward, a partner at Dorsey & Whitney, said.

"The bill could be seen, however, as Congress urging the State and Treasury departments to consider expanding the lists of sanctioned Russian entities and individuals in key economic sectors including mining, metals, shipping, and railways," said Ward. "If it becomes law, it will take some time for State and Treasury to implement the bill in the regulations but they could choose to sanction new entities and individuals immediately. Nevertheless, it seems doubtful that any real impact will be felt by U.S. companies doing business in Russia until mid to late summer," he concluded.

USTR Receives Overwhelming Response to Call for NAFTA Comments

Facing an overwhelming response, the U.S. Trade Representative's (USTR) office extended the public comment period for its intended NAFTA modernization by two days to June 14. As of the deadline, the USTR's office received 12,450 comments, of which 1,271 were published on regulations.gov. Comments from agriculture, retail and automotive industries revealed strong support to maintain the status quo with a few tweaks, rather than a massive overhaul of the trade agreement.

In a joint submission, the National Grain and Feed Association (NGFA) and the North American Export Grain Association (NAEGA) wrote that "the U.S. food and agricultural sector has benefited immensely from the market access gains achieved under NAFTA." The groups would like to see an improvement in technical, sanitary and phytosanitary barriers to trade, noting that "many SPS-based import bans and restrictions do not conform to applicable regional and international standards and the promulgating

authority often fails to provide a science-based risk assessment" as required by the World Trade Organization, they wrote.

The poultry industry was backed by a letter from ten senators representing states "where poultry growers and processors are a key part of the state economy." The letter noted that "Canada has continued to impose stringent, protectionist trade policies that limit sales for American exporters … which have hampered growth for more than 20 years." It also urges USTR to consider the importance of Mexico to poultry exporters, noting that Mexico became the largest export market for U.S. poultry in 2010. Sens. Thomas Carper (D-Del.), Johnny Isakson (R-Ga.), Christopher Coons (D-Del.) and Tom Cotton (R-Ark.) were among the signatories.

The National Retail Federation (NRF) urged USTR to effectively keep the status quo of the agreement. "Over the two decades of its existence, NAFTA has eliminated high tariffs in all three countries. It has helped to create new value chains that enable each country to contribute to the cost of production of key consumer goods, ensuring that the prices of those goods to American families are as competitive as possible. As such, it has supported U.S. economic growth by providing U.S. producers and consumers with extra income to spend in new, growth-generating ways," NRF President and CEO Matthew Shay wrote.

> NAFTA does need to be modernized, he added, because of how the Internet has changed commerce. A renegotiated agreement should ensure that retail sectors can transfer data from one party to another without having to build "expensive and unnecessarily redundant data centers in every market they seek to serve," the letter noted. Teleshopping also remains too restrictive in Canada, NRF added.

Matt Priest, president & CEO of Footwear Distributors & Retailers of America (FDRA), likewise highlighted the benefits of NAFTA. His organization is mostly concerned with rules of origin in NAFTA being too restrictive. FDRA would like to see a rule of origin modeled on the U.S.-Korea Free Trade Agreement.

When it comes to the automotive industry, which was revolutionized by NAFTA, Toyota Motor North America said it would like to see a modernized agreement retain the existing rules of origin. "By eliminating tariffs on finished vehicles and parts, NAFTA has lowered consumer costs, increased productivity, and improved U.S. competitiveness by integrating production and supply chains" across North America, Toyota Group VP Stephen Ciccone noted.

Of course, not everyone views NAFTA in a positive light. In a phone call with reporters June 12, AFL-CIO President Richard Trumka; United Steelworkers President Leo Gerard, and Chris Shelton, president of Communications Workers of America, said NAFTA has been a disaster for labor. "It's time to rewrite NAFTA the right way," said Trumka.

Among their recommendations, labor wants to see stronger labor rules and enforcement, the elimination of the investor-state-dispute settlement mechanism, enforceable currency

rules, improved trade enforcement as part of manufacturing policy and stronger rules of origin. The International Trade Commission will hold a public hearing June 27.

CBP Trade Enforcement Understaffed, GAO Report Says

Customs and Border Protection (CBP) has generally not met staffing levels set by Congress for trade positions, according to a Government Accountability Office (GAO) report released June 12. GAO recommended that CBP should include performance targets in addition to performance measures in its strategic and annual plans, as well as develop a long-term hiring plan.

"Over the past five fiscal years, CBP generally has not met the minimum staffing levels set by Congress for four of nine positions that perform customs revenue functions, and it generally has not met the optimal staffing level targets set by the agency for these positions," the report noted. The report was required per the Trade Facilitation and Trade Enforcement Act of 2015, which was signed into law in February 2016 (see **WTTL**, Feb. 15, 2016, page 1).

> In looking at CBP data from fiscal years 2012-2016, the report found that the number of staff for the positions of import specialist, customs auditor, national import specialist and drawback specialist were generally lower than minimum mandated and optimal staffing levels. In addition, five of six non-mandated trade positions were below the optimal staffing range as of October 2014.

"Staffing shortfalls in trade positions can impact CBP's trade processing and enforcement efforts, including CBP's ability to enforce trade effectively. For example, staffing shortfalls can lead to decreased cargo inspections, according to several CBP officers at three ports we visited," the report noted. CBP faces several challenges when it comes to hiring officers. For one, few staff members are dedicated to hiring trade positions, and when candidates are found they face a lengthy hiring process. Some positions are harder to fill because of their location, and CBP has focused on filling security positions first, the report said.

"CBP has not articulated how it plans to address gaps in staffing for most of its trade positions," despite the fact that CBP has established targets. The GAO report calls on the Office of Trade and the Office of Field Operations to develop a long-term hiring plan that articulates how CBP will reach its staffing level targets. It further recommends that the Office of Trade should include performance targets in addition to performance measures in its Priority Trade Issue strategic and annual plans.

"This new report makes it clear that the Obama administration consistently failed to prioritize staffing for key trade positions at CBP despite Congressional requirements. This failure by the prior administration undermines CBP's ability to enforce our trade laws and process legitimate cargo in a timely way – both of which are vitally important for protecting our economy as well as the health and safety of the American people," House Ways and Means Chairman Kevin Brady (R-Texas) said in a statement.

"Our trade laws are only as strong as the tools and resources we have to enforce them," said Trade Subcommittee Chairman Dave Reichert (R-Wash.) in a statement. "There is important work to be done to make sure our Customs and Border Protection personnel are fully equipped and the agency is fully staffed. This is necessary for CBP to fulfill its dual mission of ensuring lawful trade and facilitating the movement of goods," he added.

USTR Senior Staff Members Have Familiar Experience

U.S. Trade Representative (USTR) Robert Lighthizer did not have to look too far to find his senior staff, which he formally announced June 16. Several members of the team practiced law at Washington law firms, including Lighthizer's own, Skadden, Arps, Slate, Meager & Flom LLP

Chief of Staff Jamieson Greer previously was of counsel in the international trade and national security practice group at Kirkland & Ellis, LLP. Payne Griffin, deputy chief of staff, previously advised then-Sen. Jeff Sessions (R-Ala.) on trade policy and financial issues. Griffin also served as deputy lead on trade policy implementation for President Trump's transition team.

> Separately, the president June 15 sent the Senate the nomination of Jeffrey Gerrish to be deputy USTR (Asia, Europe, the Middle East, and Industrial Competitiveness). Not surprisingly, Gerrish currently is a partner in the international trade group at Skadden Arps. He also was appointed by the chief judge of the U.S. Court of International Trade as a member of the Court's Rules Advisory Committee.

Pamela Marcus, deputy chief of staff – operations, previously worked as manager of the international trade group at Skadden Arps. General Counsel Stephen Vaughn, who was acting USTR before Lighthizer's confirmation, previously was a partner in the international trade group at King & Spalding. And yes, before that, he was part of the international trade group at Skadden Arps.

Timothy Reif, who previously served in the Obama administration as USTR general counsel, will stay on as senior advisor. Prior to his 2009 appointment to USTR, Reif served as chief international trade counsel for the House Ways and Means Committee. Christopher Jackson, assistant USTR for congressional affairs, like Griffin, previously advised Sessions on trade, budget and banking policy. Prior to his stint with Sessions, Jackson served as an assistant in the Office of Management and Budget.

Cameron Bishop, deputy assistant USTR for congressional affairs, spent the past seven years in the House, most recently as legislative director for Rep. Austin Scott (R-Ga.). Emily Davis, assistant USTR for public and media affairs, previously worked as communications director of American Action Network/Congressional Leadership Fund.

Appeals Court Reverses ITC Decision on Wireless Audio System

The Court of Appeals for the Federal Circuit (CAFC) June 12 reversed an International Trade Commission (ITC) ruling involving patents on "a wireless digital audio system designed to let people use wireless headphones privately, without interference, even when multiple people are using wireless headphones in the same space" (op. 16-2105).

> One-E-Way filed the ITC complaint against, among others, Sony, BlueAnt Wireless, Creative Technology and GN Netcom A/S. At the ITC, the parties disputed whether the claim term "virtually free from interference" was indefinite.

The ITC found "the claim term 'virtually free from interference' indefinite and invalidated the asserted claims of One-E-Way's patents. Because we conclude that the term 'virtually free from interference,' as properly interpreted in light of the specification and prosecution history, would inform a person of ordinary skill in the art about the scope of the invention with reasonable certainty, we reverse," CAFC Judge Kara Farnandez Stoll wrote for the majority of the three-judge panel.

"The term 'virtually' does not expand 'free from interference' without end: it simply requires that the claimed invention does not allow for eavesdropping. A system that permits eavesdropping is no longer 'free' or 'virtually free from interference'; that system is no longer captured by the asserted patents' claims," Stoll noted.

Chief Judge Sharon Prost dissented from the majority decision. "In finding that the claim limitation-at-issue—"virtually free from interference"—meets the definiteness requirement, the majority relies primarily, if not exclusively, on a single, non-definitional remark from the prosecution history and ignores intrinsic evidence that injects ambiguity. The written description lacks any reference to the disputed limitation. And One-E-Way does not submit that the limitation-at-issue has any ordinary meaning to a skilled artisan," she wrote.

Mexico, Canada Not Keen on Eliminating NAFTA Chapter 19

Chapter 19 of NAFTA permits the establishment of binational panels to review antidumping (AD) and countervailing duty (CVD) determinations. The three NAFTA countries were supposed to develop a more effective system, but did not, and that's just fine with Mexico and Canada, a former Mexican official said June 13.

"I don't see why it would be in Mexico's interest to accept doing away with NAFTA Chapter 19 just at a time when the U.S. is pushing very strongly for enforcement and with a mercantilistic outlook, so I would definitely put a red line on Chapter 19," Antonio Ortiz-Mena said during a presentation at Peterson Institute for International Economics. Ortiz-Mena, now at the Albright Stonebridge Group, was part of the Mexican NAFTA negotiating team.

"It's Chapter 19 or bust. I don't see why Mexico or Canada would accept doing away with that or in fact why the U.S. [would], if the U.S. wants to make sure that Mexico keeps its economy open and it does not abuse its own AD/CVD rules, then the U.S. might well use this policy instrument, so let's stick with Chapter 19. If it needs to be perfected, fine. Don't do away with it," emphasized Ortiz-Mena.

> Elimination of Chapter 19 could be among the possible U.S. "blockbuster" demands, theorized Peterson Senior Fellow Gary Hufbauer. Indeed, in a leaked eight-page draft of Trump administration priorities, elimination of Chapter 19 was listed as a priority "in light of U.S. experiences where panels have ignored the appropriate standard of review and applicable law, and where aberrant panel decisions have not been effectively reviewed and corrected" (see **WTTL**, April 3, page 5).

"Chapter 19 will not be an enthusiastic ask of Mexico or Canada, especially given the new initiative on AD and CVD in the United States," said Hufbauer. Trump administration officials, especially Commerce Secretary Wilbur Ross, have become more personally involved in AD/CVD determinations than in previous years.

* * * Briefs * * *

EXPORT ENFORCEMENT: Axis Communications, Inc. of Chelmsford, Mass., agreed June 9 to pay BIS $700,000 civil penalty to settle 15 charges of exporting thermal imaging cameras to Mexico without licenses. Items were classified under Export Control Classification Number 6A003, controlled for national security and regional stability reasons, and worth $391,819 in total. Axis also failed to retain documents, including, but not limited to, invoices relating to these exports, BIS noted.

MORE EXPORT ENFORCEMENT: Cryomech, Inc. of Syracuse, N.Y., agreed June 9 to pay $28,000 civil penalty to settle BIS charge of exporting LNP-20 Liquid Nitrogen Plant to All-Russian Scientific Research Institute of Experimental Physics (VNIIEF), blocked Russian entity, without required BIS license in 2012. Item was designated EAR99 and worth $33,587.

STILL MORE EXPORT ENFORCEMENT: As expected, Miami-Dade Police Officer Michael Freshko pleaded guilty June 12 in Miami U.S. District Court to smuggling six firearms from Miami International Airport (MIA) to Dominican Republic in 2012. Freshko was charged May 16 (see **WTTL**, May 22, page 8). Firearms included four Glock .9 mm pistols, one Sig Sauer .9 mm pistol, and one Sig Sauer 5.56 rifle. Freshko was released on $100,000 bond. Sentencing is set for Aug. 25.

WASSENAAR: In June 14 Federal Register BIS corrected previous rule from September 2016 implementing changes Wassenaar Arrangement (WA) members agreed to at its December 2015 plenary (see **WTTL**, Sept. 26, page 3). Latest technical rule "corrects citations, replaces text that was inadvertently removed, and corrects other errors," agency noted.

POST-DEPARTURE: Commercial Customs Operations Advisory Committee (COAC) is working on tentative draft proposal to implement post-departure filing after pilot that has been going on for years. Proposal would consist of four elements: eligibility, registration, validation and periodic inspections and audits. Customs & Border Protection (CBP) officials call proposal "notional" and

not ready to be published. Questions include what constitutes "active exporter" and "exporter in good standing," one told BIS' RAPTAC June 13. Manufacturers long have pushed to retain Option 4 post-departure filing for eligible companies (see **WTTL**, April 24, page 3).

BEEF: Agriculture reached agreement with Chinese officials on final details to allow U.S. beef exports to China, Agriculture Secretary Sonny Perdue said June 12. "I have no doubt that as soon as the Chinese people get a taste of American beef they'll want more of it," he said in statement. Agreement was part of U.S.-China Economic Cooperation 100-day plan unveiled in May (see **WTTL**, May 15, page 2). Requirements for USDA's Agricultural Marketing Service (AMS) Export Verification program are available at ams.usda.gov. USDA Food Safety and Inspection Service's online Export Library has been updated with China's requirements for certifying U.S. beef at fsis.usda.gov.

DAIRY: U.S. and China signed memorandum of understanding (MOU) June 15 on dairy trade that will allow more exports from U.S. On behalf of Food and Drug Administration, third-party certification bodies will audit U.S. dairy facilities to make sure they comply with Chinese food safety regulations. Dairy plants must be registered on China's Certification and Accreditation Administration before they can begin exporting. "This deal marks a significant opportunity for the U.S. dairy industry," said Tom Vilsack, president and CEO of U.S. Dairy Export Council (USDEC), in statement. U.S. shipped $384 million of dairy products to China in 2016, according to USDEC.

REBAR: In 5-0 final votes June 16, ITC found U.S. industry is materially injured by dumped imports of steel concrete reinforcing bar (rebar) from Japan and Turkey and subsidized imports from Turkey. "While this is an important result, it is far from the only step necessary to address the steel import crisis affecting the domestic rebar industry. We urge the President to provide comprehensive relief in the steel Section 232 proceeding to address fully the national security implications caused by massive global excess capacity," said Alan H. Price, chair of Wiley Rein's international trade practice and counsel to petitioner Rebar Trade Action Coalition (RTAC).

CEMENT: In 5-0 "sunset" vote June 16, ITC said revoking antidumping duty orders on imports of gray portland cement and cement clinker from Japan would renew injury to U.S. industry.

SANCTIONS: Mingzheng International Trading Limited, based in Shenyang, China, was charged in civil complaint June 14 in D.C. U.S. District Court with facilitating prohibited U.S.-dollar transactions through U.S. for North Korean Foreign Trade Bank (FTB) and laundering proceeds of that conduct through U.S. financial institutions. Mingzheng allegedly operated as front company for Chinese branch of FTB. Treasury designated FTB in March 2013 under Weapons of Mass Destruction Proliferators Sanctions Regulations. Justice is seeking to forfeit $1,902,976 that "was transacted in October and November of 2015 by Mingzheng, via wire transfers, using their Chinese bank accounts," department noted in press release.