

# Washington Tariff & Trade Letter

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## **Biden EO on China Investments, Treasury ANPRM**

On August 9 President Biden issued an Executive Order focused on national security threats stemming from U.S. investments in the People's Republic of China (PRC), specifically those related to technologies critical for military and intelligence capabilities.

The E.O. aims to protect U.S. national security while maintaining open investment. It sets forth a new program, focusing on prohibiting certain U.S. transactions and requiring notifications to Treasury regarding others, specifically related to the following technology areas:

Semiconductors and microelectronics  
Quantum information technologies  
Certain artificial intelligence systems [READ MORE](#)

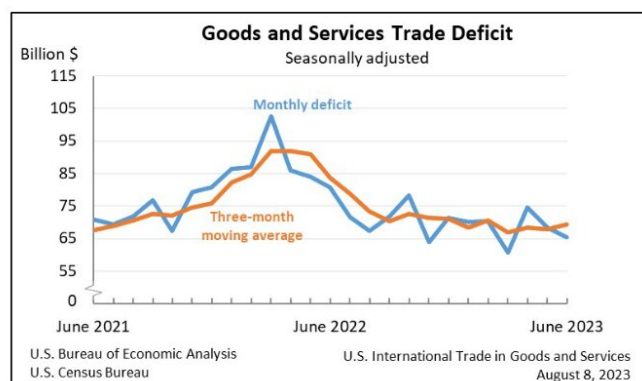
## **Another Mexican Auto Parts Plant Cited for USMCA Labor Violations**

The U.S.-Mexico-Canada Agreement's Interagency Labor Committee for Monitoring and Enforcement today requested the government of Mexico review an allegation that workers at the Yazaki auto parts facility in Leon, Guanajuato, are being denied the right to freedom of association.

This is the seventh time in 2023, and twelfth time overall, the United States has sought Mexico's review under the USMCA's Rapid Response Labor Mechanism. [READ MORE](#)

## **Monthly Trade in Goods and Services**

U.S. INTERNATIONAL TRADE IN GOODS AND SERVICES DEFICIT		
Deficit:	\$65.5 Billion	-4.1%°
Exports:	\$247.5 Billion	-0.1%°
Imports:	\$313.0 Billion	-1.0%°
Next release: Wednesday, September 6, 2023		
(*) Statistical significance is not applicable or not measurable. Data adjusted for seasonality but not price changes.		
Source: U.S. Census Bureau, U.S. Bureau of Economic Analysis; U.S. International Trade in Goods and Services, August 8, 2023.		



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## **Biden Signs Taiwan Trade, with Caveats**

President Biden signed into law a measure implementing the initial deal negotiated under the US-Taiwan Initiative on 21st-Century Trade First Agreement, even while raising concerns about the constitutionality of the law.

The President cautioned Congress that he does not intend to follow all of the requirements of the new law relating to the sharing of negotiating texts. [READ MORE](#)

## **IPEF: Indo-Pacific Economic Framework for Prosperity round in Bangkok**

The U.S. Department of Commerce and the Office of the United States Trade Representative have announced that a U.S. delegation will travel to Bangkok, Thailand, from September 10-16 for the fifth negotiating round of the Indo-Pacific Economic Framework for Prosperity (IPEF).

In Bangkok, the IPEF partners will continue to make progress on negotiations towards high-standard outcomes under Pillars I (Trade), III (Clean Economy), and IV (Fair Economy). [READ MORE](#)

## **G20 to Tackle WTO DS Reform**

When trade ministers of the Group of 20 industrialized and developing countries convene a two-day meeting at the end of this month, India will seek to insert strong language in the final declaration on preserving and safeguarding the World Trade Organization's two-tier dispute settlement system, our correspondent writes.

G20 trade ministers are slated to meet August 25-26 in Jaipur, the pink city of India. [READ MORE](#)

## **USTR to Review Russia's WTO Compliance, PNTR Status**

The USTR is mandated by law to annually report to Congress on Russia's implementation of WTO agreements, including agreements on Sanitary and Phytosanitary Measures and Intellectual Property Rights, as well as its progress towards acceding to the Information Technology Agreement (ITA) and the Government Procurement Agreement (GPA).

The USTR is currently soliciting public comments for this year's report to gauge Russia's compliance with the commitments made during accession. Specific areas of interest include import and export regulations, subsidies, standards, sanitary measures, intellectual property rights, government procurement, rule of law issues, trade facilitation, and other WTO commitment [READ MORE](#)

## **Lamb Producers Seek Import Relief**

US lamb producers are seeking relief from imported lamb and mutton through a phase-in tariff rate quota.

Protect American Lamb, a project under the auspices of the R-CALF USA, has filed a petition with US Trade Representative Katherine Tai.

The 33-page petition shows that imported lamb and mutton, primarily from Australia and New Zealand, have increased 2,363 percent in dollar value and 543 percent in quantity since the early 1990s. [READ MORE](#)

## **HFAC Dems Call for Freeze to Egypt Military Funds**

House Foreign Affairs Committee Ranking Member Gregory W. Meeks together with 10 Minority Representatives of the Committee, sent a letter to Secretary Blinken calling on the Biden Administration not to certify the human rights conditioned portion of foreign military financing (FMF) for Egypt this year given Egypt's failure to meet the criteria as outlined in law. [READ MORE](#)

## **China's Advanced Remote Sensing Technologies and Applications**

The U.S.-China Economic and Security Review Commission invites submission of proposals to provide a concise, one-time unclassified report on China's Advanced Remote Sensing Technologies and Applications, which should assess China's objectives and approach to advanced remote sensing technologies. Proposals must be submitted by 5:00 p.m. (ET) on September 8, 2023. [READ MORE](#)

## **US, Mexico Settle Garment Workers Case**

The United States and Mexico announced yesterday they have agreed on steps to address worker rights violations at a Mexican denim factory that is one of Levi's largest suppliers.

The course of remediation will address denials of rights at the Industrias del Interior facility in the state of Aguascalientes. [READ MORE](#)

## **EXIM: Annual Competitiveness Survey of Exporters and Lenders**

The Export-Import Bank of the United States (EXIM), will survey U.S. exporters and commercial lending institutions to understand their experience with EXIM "meeting financial competition from ... [READ MORE](#)

## **ITACs Unbalanced, Lawmakers Say**

The government's Trade Advisory Committees are unfairly skewed toward big business, giving short shrift to labor and environmental concerns, according to Sen. Elizabeth Warren (D-Mass) and Rep. Pramila Jayapal (D-Wash).

"Allowing corporate interests to continue to dominate the trade advisory committee system clearly harms workers, consumers, and small businesses, the lawmakers wrote in a letter to US Trade Representative Katherine Tai, Secretary of State Antony Blinken and Secretary of Commerce Gina Raimondo. [READ MORE](#)

## **ITC - Washing Machine Report Released**

United States International Trade Commission announces the submission of a report to the President and Congress on evaluating the effectiveness of the safeguard measure on imports of large ... [READ MORE](#)

## **USDA: Sanitary and Phytosanitary Standards (Codex)**

This notice informs the public of the sanitary and phytosanitary (SPS) standard-setting activities of the Codex Alimentarius (Codex).

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The USCO is responsible for publishing annual notices in the Federal Register regarding SPS activities of Codex, detailing standards under consideration, descriptions of such considerations, U.S. participation, agendas, and agency responsibilities. The notice also seeks public comments on current or planned standards. [READ MORE](#)

## [SEC Awards More Than \\$104 Million in Whistleblower Case](#)

The Securities and Exchange Commission (SEC) has announced a combined award exceeding \$104 million to seven whistleblowers, marking the fourth largest sum in the SEC's whistleblower program's history. Several of the whistleblowers are reported to be foreign nationals, reporting misconduct in "multiple territories". [READ MORE](#)

## [Treasury Outreach on Beneficial Ownership Rules](#)

In remarks last week in Lexington, Kentucky, Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson spoke to common concerns about the implementation of the Corporate Transparency Act (CTA) which requires certain U.S. and foreign companies to report to FinCEN information about their beneficial owners:

"FinCEN is working around the clock to stand up this program in a way that allows you to understand your obligations, provides you the resources to meet them, and ensures the smallest possible burden on you. [READ MORE](#)

## [BIS: International Atomic Energy Agency Safeguards Protocol](#)

Bureau of Industry and Security, Department of Commerce published a request for comment on the Additional Protocol to the United States—International Atomic Energy Agency Safeguards

The Additional Protocol requires the United States to submit declaration forms to the International Atomic Energy Agency (IAEA) on a number of commercial nuclear and nuclear-related items, materials, and activities that may be used for peaceful nuclear purposes, but also would be necessary elements for a nuclear weapons program. [READ MORE](#)

## [DDTC: Filing Requirement / Clarifications Rule Category XXI](#)

The Census Bureau issues this final rule amending its regulations to reflect new export reporting requirements related to the State Department, Directorate of Defense Trade Controls (DDTC) Category XXI Determination Number.

Specifically, the Census Bureau is adding a conditional data element, DDTC Category XXI Determination Number, when "21" is selected in the DDTC USML Category Code field in the Automated Export System (AES) to represent United States Munitions List (USML) Category XXI. [READ MORE](#)

## [Polite Bowing Out with a Bang](#)

Departing Assistant Attorney General for the Criminal Division Kenneth Polite told Reuters the department's enforcement pipeline has several more "global resolutions," or large corporate settlements pending in coming months.

Mr. Polite, who will be joining Sidley Austin in October after overseeing corporate resolutions such as Glencore,

ABB, Danske, and Stericycle attributed the backlog to COVID related- delays. Polite said to expect "much larger schemes and activities." [READ MORE](#)

## [Colombian Bank Settles FCPA Case for \\$80 Million](#)

A bad penny always turns up. Odebrecht S.A, the perennial source of corruption settlements under the Foreign Corrupt Practices Act (FCPA) delivered again, snaring a banking subsidiary of Grupo Aval, the holding company of the second richest man in Colombia.

Corporación Financiera Colombiana S.A. (Corficolombiana), a Colombian financial services institution, has agreed to pay over \$80 million to resolve parallel bribery investigations by criminal, civil, and administrative authorities in the United States and Colombia stemming from the company's involvement in a scheme to pay millions of dollars in bribes to high-ranking government officials in Colombia. [READ MORE](#)

## [End Transactions with Burmese Banks](#)

All transactions with two sanctioned Burmese banks must have been wound down by August 5, according to the State Department.

In June, the United States designated two of Burma's military regime-controlled banks, Myanma Foreign Trade Bank and Myanma Investment and Commercial Bank. [READ MORE](#)

## [OFAC Mali Sanctions Re-Published](#)

The Department of the Treasury's Office of Foreign Assets Control (OFAC) is amending the Mali Sanctions Regulations and reissuing them in their entirety. This regulatory amendment took effect ... [READ MORE](#)

## [OFAC: Ex-Head of Central Bank of Lebanon Sanctioned](#)

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) has designated Riad Salameh, the former governor of Lebanon's central bank, and four of his close associates for corrupt and unlawful activities. Salameh allegedly used his position to funnel hundreds of millions of dollars through shell companies for personal enrichment, investing in European real estate.

The sanctions do not extend to the Banque du Liban (BdL) or its U.S. correspondent bank relationships. [READ MORE](#)

## [OFAC - Belarus G/Ls Steel & Aviation](#)

The Department of the Treasury's Office of Foreign Assets Control (OFAC) is issuing Belarus General Licenses authorizing the wind down of transactions with a Byelorussian Steel Works and Airline. The Action includes the addition of a Miami, FL based steel trader and the Minsk Civil Aviation Plant 407, "the leading enterprise in the CIS and the countries of the former USSR in repair, modernization and maintenance of the Yak-40, Yak-42, Yak-52, Tu-134 aircraft of all modifications," according to the company website. [READ MORE](#)

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## \*\*\* Events\*\*\*

### CBP ACE Technical Forum

CBP ACE Technical Forum Thursday, September 14, 2023 9:00 AM - 12:00 PM (UTC-04:00) Eastern Time (US & Canada) The Automated Commercial Environment (ACE) is the system ...

### CFIUS Annual Conference

8:00 AM

Treasury announced the second annual Committee on Foreign Investment in the United States (CFIUS) Conference, which will take place on Thursday, September 14

### BIS Update Conference Set for November 28 -30

The Bureau of Industry and Security (BIS) will hold the 2023 Update Conference on Export Controls and Policy from Tuesday, November 28 through Thursday, November 30