

# Washington Tariff & Trade Letter

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## [Shutdown to Impact Trade Agencies](#)

A government shutdown is set to severely impact the U.S. Department of Homeland Security (DHS), and other trade enforcement bureaus, leaving over 185,000 frontline personnel, spanning from law enforcement, security analysts, to disaster response officials, working without remuneration.

Key trade operations – exporters, importers, transportation entities, customs brokers, and all linked to U.S. global trade – are bracing for interruptions. This is especially true if agencies pivotal for trade, such as the U.S. Customs and Border Protection, Department of the Treasury's Office of Foreign Assets Control, and Department of Commerce are affected. [READ MORE](#)

## [Forced Labor Blacklists 3, including Major Chinese Plastics Source](#)

The U.S. Department of Homeland Security (DHS) the addition of three Chinese manufacturers to the Uyghur Forced Labor blacklist which, if enforced, could greatly impact the US vinyl flooring industry.

China accounts for 63% of all vinyl floor tiling shipped to the United States in the last two years, and Vietnam comes in second at 20%. Materially all of the PVC in these shipments is sourced from the Uyghur region, including transshipments through Vietnam. [READ MORE](#)

## [CFIUS to Include Agriculture](#)

Senate Agriculture Committee Chair Debbie Stabenow (D-Mich) and ranking Republican John Boozman (Ark) said yesterday they will work together to craft legislation to more closely scrutinize foreign investment by China and other countries in US agriculture.

There is clearly bipartisan consensus in both the Senate and House on the need to take a closer look at whether foreign purchases of US farmland and agricultural companies pose a national security risk, the two senators agreed at a committee hearing September 27. [READ MORE](#)

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## [WTO: TRIPS Council Hears from Constituencies](#)

The TRIPS Council of the World Trade Organization (WTO) held an "informal thematic session" Thursday to discuss the implications of intellectual property (IP) in the development, distribution, and access to COVID-19 therapeutics and diagnostics. [READ MORE](#)

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## [WTO: Reaction to Fisheries Draft](#)

Many developing countries, including the Africa, Caribbean and Pacific group, expressed sharp concerns over the draft fisheries subsidies negotiating text issued by Chair Ambassador Einar Gunnarsson of Iceland, arguing that it is tilted toward preserving the overcapacity and overfishing subsidies availed by big subsidizers. [READ MORE](#)

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## [WTO: India Defends Rice Ban; US Objects](#)

India defended its new ban on rice exports at the World Trade Organization, insisting that it is a regulation rather than a restriction and critical for ensuring the food security of 1.4 billion people, in the face of a volley of questions and concerns from the United States, Canada and Australia among others, our correspondent reports.

At the WTO's Committee on Agriculture meeting, India said it is committed to ensuring food security in importing countries by granting exemptions to those in need upon their governments' requests. India said it continues to provide food assistance to vulnerable countries based on mutual agreements on the quantity. [READ MORE](#)

## [WTO: US and China Collaborate on Transparency](#)

The United States is apparently going to work closely with China on Washington's proposal to enhance transparency at the World Trade Organization, as some members seemed indifferent or somewhat opposed to the US proposal to improve transparency with some naming-and-shaming provisions, our correspondent has learned.

During the group meetings to discuss industrial policies, industrialization and policy space at the just-concluded retreat on Tuesday, Washington and Beijing – which were placed in the same group – discussed how to extend special and differential treatment while adhering to transparency provisions. [READ MORE](#)

## [WTO: China's E-Payments Proposal](#)

Amidst tectonic shifts in the global electronic commerce and supply chains, China has issued a proposal on how electronic payments must be conducted in the ongoing Joint Statement Initiative on digital trade, WTD has learned.

China's restricted proposal INF/ECOM/80 circulated yesterday is apparently a revised negotiating textual proposal on e-payments and logistics services. It seeks to promote the adoption of international standards, interoperability, and transparency. [READ MORE](#)

## [WTO: Cato Piece on Myths and Realities](#)

James Bacchus, former chairman of the Appellate Body of the World Trade Organization penned a piece for the Cato Institute dispelling some of the more egregious myths about the WTO. ... [READ MORE](#)

## [US Courts Pacific Island Nations](#)

President Biden last week hosted a second summit with leaders of Pacific Islands nations as part of the Administration's efforts to counter China's influence in the region.

The US-Pacific Partnership was formed last year as an alternative to China's "economic coercion," according to the 2022 leaders' declaration.

At this year's summit, leaders focused on climate change, trade and investment, sustainable development, health and countering illegal fishing. [READ MORE](#)

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## [Another Maquiladora Targeted for USMCA Labor Violations](#)

United States Trade Representative Katherine Tai announced today that the United States has asked Mexico to review whether workers at the Teklas Automotive facility in Aguascalientes, which manufactures automotive parts, are being denied the right to freedom of association and collective bargaining. [READ MORE](#)

## [Lawmakers Urge End of Tomato Deal](#)

A bipartisan group of almost 60 Congressional lawmakers is calling on the Commerce Department to end the tomato suspension agreement with Mexico, charging that Mexican exporters continue to dump tomatoes into the US market.

The letter to Commerce Secretary Gina Raimondo, led by Sen. Marco Rubio (R-Fla) and Rep. Jim Costa (D-Calif), urges the imposition of antidumping duties on tomatoes imported from Mexico. [READ MORE](#)

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## [USTR: Hurtado to US Mission to EU](#)

Rufino Hurtado will be the senior trade representative at the US Mission to the European Union in Brussels, the US Trade Representative's Office reported yesterday.... [READ MORE](#)

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## [USTR Tai to Join White House Competition Council](#)

The Office of the United States Trade Representative and the National Economic Council today announced the appointment of United States Trade Representative Katherine Tai to the White ... [READ MORE](#)

## [Apply for Inclusion on the USMCA Binational Panels Roster](#)

The United States-Mexico-Canada Agreement (USMCA) provides for the establishment of a roster of individuals to serve on binational panels convened to review final determinations in antidumping or ... [READ MORE](#)

## [China Hawks Try Their Hand at Rules of Origin](#)

Members of the House Select Committee on the Strategic Competition between the United States and the Chinese Communist Party (CCP) sent DHS Secretary Mayorkas a stern letter Friday, asserting that a Chinese firm is committing "blatant trade fraud that is having a catastrophic impact on American manufacturers." [READ MORE](#)

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## [House China Hawks Tackle Uyghur Act Enforcement](#)

Four Republican House Committee Chairs sent a letter to Department of Homeland Security Secretary Alejandro Mayorkas criticizing the implementation and enforcement of the Uyghur Forced Labor Prevention Act (UFLPA), complaining that not enough has been done to penalize violators, and calling for more resources to be dedicated to enforcement. [READ MORE](#)

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## [China Hawks Make Ford Probe Job One](#)

While Ford Motor Company announced on September 25 that it has paused its partnership with world's leading EV battery maker, Republican lawmakers complain that Ford will not release confidential business information pertaining to its agreement to license Chinese technology. [READ MORE](#)

## [Bill to "Create Resilient Supply Chains"](#)

Legislation to create an Office of Economic and Security Preparedness and Resilience for supply chains was introduced yesterday by Reps. Rosa DeLauro (D-Conn) and Jim Banks (R-Ind).

The proposed office would set priorities to ensure resilient US supply chains and robust domestic production in sectors vital to national security. [READ MORE](#)

## [Child Labor Tools Updated](#)

Child Labor Report Issued

The Labor Department released its annual report on the worst forms of child labor, spotlighting child labor abuses globally and reviewing progress made by some ... [READ MORE](#)

## ["Export Enforcement Five" Joint Guidance Released](#)

As a follow-up to the establishment of the "Export Enforcement Five" or "E5" partnership to coordinate on export control enforcement issues in June 2023, the governments of Australia, Canada, New Zealand, the United Kingdom, and the United States have issued joint guidance to industry and academia identifying high priority items critical to Russian weapons systems and urging specific actions to prevent diversion of these items to Russia through third countries. [READ MORE](#)

## [Forced Labor: Supply Chain Business Advisory](#)

An Addendum to the 2021 Updated Xinjiang Supply Chain Business Advisory calls attention to the China's ongoing genocide and crimes against humanity in Xinjiang and the evidence of widespread use of forced labor there.

The addendum urges businesses and individuals to continue to undertake appropriate human rights due diligence measures to identify potential supply chain links to entities operating in Xinjiang, entities linked to Xinjiang (e.g., through the pairing program, Xinjiang supply chain inputs, or the Xinjiang Production and Construction Corps (XPCC)), entities included in the UFLPA Entity List, or entities using the labor of Uyghurs, Kazakhs, Kyrgyz, or members of other persecuted groups from Xinjiang. [READ MORE](#)

## [U.S. Adds 28 Entities to Blacklist, Many Linked to UAV Production for Russia](#)

The Commerce Department's Bureau of Industry and Security (BIS) added 28 entities to its Entity List Monday, 24 September.

The entities include 11 in China, 5 in Russia, 5 in Pakistan, and others in Finland, Oman, Germany, and the UAE. They have been implicated in activities threatening U.S. national security or foreign policy. [READ MORE](#)

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## [OFAC: Sudanese Warmongers, Iranian Drones](#)

Treasury's Office of Foreign Assets Control sanctioned two commercial entities related to the conflict in Sudan, as well as five entities and two individuals involved in the procurement of sensitive parts for Iran's one-way attack unmanned aerial vehicle (UAV) program.

Elsewhere, OFAC sanctioned several Sinaloa Cartel affiliates and fugitives affiliated with Mexico's Sinaloa Cartel. Responsible for a significant portion of the illicit fentanyl and other deadly drugs trafficked into the United States, the Sinaloa Cartel is one of the world's most damaging transnational criminal organizations. Additionally, OFAC sanctioned the leader of the Clan del Golfo, one of Colombia's largest criminal enterprises that controls most of the country's cocaine cultivation, production, and transportation routes. [READ MORE](#)

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## [Korean Chipmakers to Get Pass on Oct 7th Rules in China](#)

The U.S. is poised to indefinitely lift export restrictions on exports of semiconductor equipment to Samsung Electronics and SK hynix's China facilities.

Business Korea reports the. ... [READ MORE](#)

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## [October 7 Rule: Survey of Allied Perspectives Published by CSIS](#)

The anthology titled "The Importance of Understanding Allied Perspectives," edited by Gregory C. Allen and published by the Wadhvani Center for AI and Advanced Technologies at CSIS, explores the ... [READ MORE](#)

## [FCPA: Albemarle Corp. Bribery Charges: \\$200 Million Settlement](#)

The Securities and Exchange Commission (SEC) announced a settlement with Charlotte-based Albemarle Corporation. The global specialty chemicals company will pay over \$103.6 million following charges of violating the Foreign Corrupt Practices Act (FCPA). A parallel cash settlement of \$115 million with the Justice Department brings the company's costs to nearly \$220 million. [READ MORE](#)

## [FCPA: I \(Heart\) Bribery - Clear Channel Settles Charges](#)

Clear Channel Outdoor Holdings Inc. has reached an agreement with the Securities and Exchange Commission (SEC) following concerns regarding the Foreign Corrupt Practices Act (FCPA). The U.S.-based out-of-home advertising firm will pay over \$26 million in relation to the settlement. The concerns arose from interactions with Chinese government officials in the pursuit of outdoor advertising contracts. [READ MORE](#)

## [State, Justice Contractor Charged with Espionage for Ethiopia](#)

A government contractor has been charged with espionage. Maryland resident Abraham Lemma, stands accused of gathering and delivering defense information to a foreign entity. The compromised material presumably involves Ethiopia and the Horn of Africa. [READ MORE](#)

## [FinCEN Updates FAQs on Beneficial Ownership Reporting](#)

Financial Crimes Enforcement Network (FinCEN) issued additional guidance materials for the Beneficial Ownership Information (BOI) reporting requirements. FinCEN has updated its BOI FAQs to ... [READ MORE](#)

## [FinCEN to Allow Later Filing of Beneficial Ownership Info](#)

FinCEN, a part of the Treasury Department focusing on financial crimes, recently proposed a revision to the beneficial ownership information (BOI) reporting rule. The aim of this amendment is to provide an extended deadline for certain newly registered companies to file their initial BOI reports. [READ MORE](#)

## [FinCEN: Identifier Application Notice](#)

FinCEN intends to require individuals to use to obtain a FinCEN identifier, consistent with the final Beneficial Ownership Information Reporting Requirements Rule. Obtaining a FinCEN identifier is voluntary, but the rule requires those seeking to obtain a FinCEN identifier to complete an application and submit it to FinCEN and to update the information provided on the application. Public are invited to comment on: (1) the FinCEN Identifier Application that FinCEN intends to require individuals to use; and (2) FinCEN's estimate of the burden involved in completing the application. [READ MORE](#)

## [ExIm Okays Romania & Iraq Energy, Kazakh Rail Deals](#)

The US Export-Import Bank Board of Directors has approved three transactions in the energy and transportation sectors, the Bank announced Friday.

1. Pre-construction engineering and feasibility studies for the potential development of two nuclear reactors at the Cernavoda nuclear power plant complex in Romania. 2. Export of Wabtec locomotive and locomotive

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shunter kits to the national railway of Kazakhstan. 3. Repair and upgrade of operating gas turbines in ten locations in Iraq. [READ MORE](#)

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## [EXIM Finalizes \\$363 million Guarantee for Bridges in Angola](#)

The Export Import Bank of the US (EXIM) board has finalized approval of the funding for the export of 186 modular steel panel bridges and ancillary bridging equipment, as well as technical ... [READ MORE](#)

## [ITA: Softwood Subsidies Review](#)

The U.S. Department of Commerce seeks public comment on any subsidies, including stumpage subsidies, provided by certain countries exporting softwood lumber or softwood lumber products to the United States during the period January 1, 2023, through June 30, 2023. [FR Document: 2023-21193] [READ MORE](#)

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## [ITC Rules Viet Pressure Washers Dumped](#)

The United States International Trade Commission (USITC) determined that a U.S. industry is materially injured by reason of certain imports of gas powered pressure washers from Vietnam that the U.S. Department of Commerce (Commerce) has determined are sold in the United States at less than fair value. [READ MORE](#)

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## [AD/CVD Filings](#)

Antidumping or Countervailing Duty Investigations, Orders, or Reviews:

Brass Rod from India