

# Washington Tariff & Trade Letter

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## [Thea Kendler Discusses the Oct. 17th Rules](#)

Assistant Secretary of Commerce for Export Administration Thea Kendler held a briefing November 6 to discuss the rules issued October 17th.

She explained the new parameters, associated license requirements, the new notified advanced computing license exception, and some of the measures put into place to address possible circumvention of the controls. [READ MORE](#)

## [FinCEN and BIS Announce New Reporting Key Term and Highlight Red Flags](#)

Treasury's Financial Crimes Enforcement Network (FinCEN) and Commerce's Bureau of Industry and Security (BIS) are issuing a new SAR key term to support financial institutions in reporting potential efforts to evade U.S. export controls beyond the Russia-related circumstances that were the focus of prior alerts. [READ MORE](#)

## [WTO: US Undermines JSI E-Commerce Ambition](#)

The domino effect of the US pullout of its proposals on cross-border transfer of data, location of computing facilities and source code seems to have begun in the informal Joint Statement Initiative on electronic commerce negotiations, after facilitators issued a text that apparently lowers the level of ambition substantially to pave the way for an agreement in name only, said people familiar with the discussions.

The three facilitators comprising Japan, Australia and Singapore issued a "facilitators' text" on Monday that seeks to find "a landing zone that bridges the different approaches reflected in existing proposals." [READ MORE](#)

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## Trade Policy

### [Indo-Pacific Economic Framework for Prosperity \(IPEF\) ministerial Nov 13-15](#)

The United States will host the third in-person Indo-Pacific Economic Framework for Prosperity (IPEF) ministerial meeting in San Francisco, California, on November 13-14, 2023. The ministerial comes on the heels of the seventh in-person IPEF negotiating round from November 5-12, 2023, in San Francisco. [READ MORE](#)

### [G7 Digital Tech Competition Summit Communique Released](#)

The Justice Department's Antitrust Division and the Federal Trade Commission participated in the G7 Competition Authorities and Policymakers' Summit today to discuss the ways in which ... [READ MORE](#)

### [White House Continues China Investments Order](#)

President Biden has continued for one year the investment restrictions placed on Chinese securities associated with the PRC's Civil-Military Fusion (CMF) industrial policy.

The restrictions include trading in securities of Chinese firms in the defense sector, as well as entities deemed controlled by the Chinese Communist Party. [READ MORE](#)

### [FinCEN: Beneficial Ownership Identifier Rules](#)

On November 7, the Financial Crimes Enforcement Network (FinCEN) issued a final rule that specifies the circumstances in which a reporting company may report an entity's FinCEN identifier in lieu of information about individual beneficial owners.

In response to commenter concerns that the reporting of entity FinCEN identifiers could obscure the identities of beneficial owners in a manner that might result in greater secrecy or incomplete or misleading disclosures, the final rule provides clear criteria that must be met in order for a reporting company to report an entity's FinCEN identifier. [READ MORE](#)

## Politics of Trade

### ["New Democrats" Unveil Trade Policy](#)

A group of moderate Democrats last week presented President Biden with their ideas for a trade policy plan aimed at maintaining US leadership in the global marketplace that includes a return to negotiating bilateral trade agreements – an approach eschewed by the Administration. [READ MORE](#)

## [Senate Rejects Buy American Waiver](#)

The Senate has overturned President Biden's decision to waive some Buy American requirements for government funded electric vehicle charging stations, despite a White House veto threat.

The Senate has overturned President Biden's decision to waive some Buy American requirements for government funded electric vehicle charging stations, despite a White House veto threat.

The measure responds to a Federal Highway Administration ruling in February allowing the waiver of Buy American until July 2024, so that EV charger acquisition and installation could begin immediately.

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## [Gallagher Committee Calls for USTR Actions on Chinese Auto Exports](#)

The House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party, sent a letter to the United States Trade Representative, Ambassador Katherine Tai, ... [READ MORE](#)

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# Export Controls

## [Justice, Commerce Officials Visit Kiev](#)

Assistant Secretary Matthew Axelrod of the Commerce Department's Bureau of Industry and Security and Assistant Attorney General Matthew Olsen of the Justice Department's National Security ... [READ MORE](#)

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## [BIS Update Conference Delayed to March 2024](#)

The Bureau of Industry and Security (BIS) is rescheduling the Update Conference on Export Controls and Policy from November 28–30, 2023 to March 27-29, 2024. [READ MORE](#)

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## [State Department OIG Releases Review on End-Use Monitoring in Ukraine](#)

The Office of Inspector General (OIG) for the Department of State has released a redacted report detailing its review of end-use monitoring (EUM) for U.S. security assistance in Ukraine. This follows the U.S. commitment of approximately \$30 billion in aid since Russia's invasion in February 2022.

Findings indicate that Embassy Kyiv conducted limited in-person EUM activities, supplemented by secondary procedures involving Ukrainian government assistance. No misuse of equipment was identified, and commitments from recipients remained unchanged post-invasion. However, challenges like security restrictions and ad-hoc reporting of battlefield losses were noted. [READ MORE](#)

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## Enforcement

### [Antiboycott: Trade Show Packing List Causes Violation](#)

Commerce's Bureau of Industry and Security (BIS) announced the imposition of a civil penalty of \$44,750 against Forta LLC (Forta), a manufacturer of synthetic reinforcement fibers, located in Grove City, Pennsylvania, to resolve three violations of the antiboycott provisions of the Export Administration Regulations (EAR, 15 C.F.R. parts 730-774) (antiboycott regulations).

Forta voluntarily disclosed the conduct to BIS, cooperated with the investigation by BIS's Office of Antiboycott Compliance (OAC), and took remedial measures after discovering the conduct at issue, all of which resulted in a significant reduction in penalty. [READ MORE](#)

### [Norfolk CBP Intercepts Deuterium Destined to China](#)

U.S. Customs and Border Protection officers seized a shipment of China-bound deuterium cylinders in Norfolk on October 18 for violating nuclear nonproliferation licensing laws. On August 22, CBP's National Targeting Center (NTC) identified the deuterium on the manifest of a shipping container destined to China. CBP officers detained the deuterium, and the following day requested a licensing determination from the Bureau of Industry and Security. [READ MORE](#)

### [OFAC Fines Payment Company for Violating Sanctions](#)

OFAC settled with daVinci Payments Nov. 6 for its violations of sanctions with Crimea, Cuba, Iran and Syria. [READ MORE](#)

### [FCPA: Cash to Foreign Officials Okay in Narrow Cases](#)

The Justice Department prepared an Opinion Procedure Release for an unnamed U.S. company permitting payments to foreign officials despite potential conflict with the Foreign Corrupt Practices Act's anti-bribery provisions. [READ MORE](#)

## Sanctions

### [Easing of Maduro Sanctions Questioned](#)

House Foreign Affairs Committee Chairman Michael McCaul (R-Texas) wants to know the reasoning behind the Administration's decision to lift sanctions on the Maduro regime in Venezuela.

"The regime will enrich itself from this Administration's sanctions relief while the Venezuelan people remain without a viable path for free and fair elections," he wrote. [READ MORE](#)

## [UK Alert on Russian Gold](#)

Britain's National Crime Agency has issued an alert warning that Russia is using gold as a means to undermine the impact of the UK sanctions regime.

Given the importance of the UK to the gold market, the NCA is warning of deliberate attempts are being made to launder sanctioned gold to mask its origin so that it can be hidden in supply chains and sold in the UK and around the world. [READ MORE](#)

## Supply Chain & Tariffs

### [CBP: Trade Facilitation and Cargo Security \(TFCS\) Summit in Philadelphia, PA, on March 26-28, 2024.](#)

U.S. Customs and Border Protection (CBP) will convene the 2024 Trade Facilitation and Cargo Security (TFCS) Summit in Philadelphia, PA, on March 26-28, 2024. The 2024 TFCS Summit will be open for the ... [READ MORE](#)

### [CBP: Electronic Issuance of Demands on Surety Pilot Program](#)

Customs and Border Protection (CBP) will conduct a National Customs Automation Program test regarding the electronic issuance of demands on surety for certain kinds of claims, the "Electronic Issuance of Demands on Surety" (EIDS) test. Test participation is limited to sureties that receive the "Notice of Penalty or Liquidated Damages Incurred and Demand for Payment" (CBP Form 5955A) for claims for liquidated damages or penalties.

CBP has begun development of an electronic liquidated damages and penalty process, and this notice announces the first test of a feature of the new process. The electronic liquidated damages and penalty process is intended to enhance, but not necessarily replace, the current paper process. [READ MORE](#)

### [Justice Updates Timber Trafficking Efforts .](#)

The Justice Department's Environment and Natural Resources Division (ENRD) is prioritizing the investigation and prosecution of timber trafficking offenses, including through the recent creation of the TIMBER Enforcement Working Group. This has led to the largest-ever fine for timber trafficking, restitution to foreign countries for illegally sourced timber and insight into how trafficking works. [READ MORE](#)