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[Lacey Act Violation: \\$42 million fine, five years prison.](#)

A Florida couple were both sentenced to 57 months in prison for illegally importing and selling between \$25 million and \$65 million worth of plywood products in violation of the Lacey Act and customs laws.

The defendants engaged in a sophisticated scheme to evade antidumping and countervailing duties owed on hardwood plywood products made in China by falsely declaring the species, country of origin or country of harvest of the wood from which the plywood was made. [READ MORE](#)

[Monaco at Cambridge: AI at the "Very Top" of Export Control Enforcement](#)

Deputy Attorney General Lisa O. Monaco delivered remarks on "the Promise and Peril of AI," at Oxford University February 14, calling an "inflection point with AI,"

Claiming that "AI is the ultimate disruptive technology," she vowed that the Disruptive Technology Strike Force established last year to coordinate export control activities, will place AI at the "very top" of its enforcement priority list. [READ MORE](#)

[Blumenauer sees hope for de minimis reform](#)

House Ways and Means trade subcommittee ranking Democrat Earl Blumenauer (Ore) said yesterday he believes it is "highly likely" the House will take up China legislation this year that includes addressing the de minimis loophole.

Closing the de minimis loophole is his biggest trade priority, Rep. Blumenauer, who has announced his plans to retire from Congress after this year, told a program sponsored by the Center for Strategic and International Studies. [READ MORE](#)

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[FinCEN Targets Investment Advisors](#)

Treasury's Financial Crimes Enforcement Network (FinCEN) issued a Notice of Proposed Rulemaking to keep criminals and foreign adversaries from exploiting the U.S. financial system and assets through investment advisers.

The proposed rule would require certain investment advisers to apply Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) requirements pursuant to the Bank Secrecy Act (BSA), including implementing risk-based AML/CFT programs, reporting suspicious activity to FinCEN, and fulfilling recordkeeping requirements. [READ MORE](#)

[DHS Chief Keynote at Munich Cyber Conference](#)

Mayorkas delivered the keynote address to the Munich Cyber Security Conference.

"The world is on the cusp of a new era in the digital revolution," he said. "We must answer the question of how security and governance should be exercised on this modern digital landscape, in service of the world's economic and social well-being." [READ MORE](#)

[Gallagher Throws in the Towel](#)

Rep. Mike Gallagher, the most strident anti-communist to come out of Wisconsin's Fox River Valley since Sen. Joseph McCarthy, has had enough of the House of Representatives.

Mr. Gallagher told the Milwaukee Journal Sentinel he will leave Congress at the end of his current term to enter the private sector and spend more time with his young family. [READ MORE](#)

[HFAC Hearing on AUKUS, Arms Control and FMS Skirts the Elephant](#)

The House Foreign Affairs Committee held a hearing Wednesday examining the importance of the trilateral AUKUS security pact among the United States, United Kingdom, and Australia.

Scrupulously avoided during the hearing on military assistance was mention of the \$95.34 billion military aid package for Ukraine and other allies being blocked by House leadership.

At the hearing, Chairman Michael McCaul (R-TX) discussed the importance of reforming America's foreign military sales (FMS), called for rebuilding the country's defense industrial base, and hinted at reforms to existing arms control and nonproliferation policies.

Testifying was Under Secretary of State for Arms Control and International Security Bonnie Jenkins, who defended the Biden Administration's initiatives within her remit. [READ MORE](#)

[Tai Confronts Mexico on Steel and Aluminum Trade](#)

United States Trade Representative Katherine Tai called Mexico's Secretary of Economy Raquel Buenrostro Friday to discuss the steel and aluminum trade between the two countries.

During the meeting, Ambassador Tai stressed the "urgent need for Mexico to take immediate and meaningful steps" to address US concerns. [READ MORE](#)

[House Votes to Reverse LNG Pause](#)

The House approved legislation (HR 7176) to reverse President Biden's decision to put a pause on new approvals of liquified natural gas exports.

The measure takes away authority from the Energy Department to approve LNG exports, leaving the Federal Energy Regulatory Commission with the sole power to approve LNG projects. [READ MORE](#)

[Digital Services Tax Deal Extended](#)

The United States and five other countries have agreed to extend their political compromise on digital services taxation.

The extension means that the US Trade Representative's Office will continue to hold off on Section 301 investigations of the digital services tax regimes of Austria, France, Italy, Spain and the United Kingdom.... [READ MORE](#)

[First Americas Partnership Trade Meet](#)

Senior trade officials have wrapped up the first meeting of the Council on Trade and Competitiveness under the Americas Partnership for Economic Prosperity.

Trade officials, who met in Santo Domingo, established committees on Trade Rules and Transparency, Trade and Sustainable Value and Supply Chains and Inclusive Trade and Small and Medium Enterprises. [READ MORE](#)

[Rogue Jumbo Jet Flown to Miami](#)

A 747 Boeing Freighter was flown to Miami from Buenos Aires by U.S. Marshalls in the latest chapter of the Mahan Air Saga. Mahan, a sanctioned Iranian airline is affiliated with the Islamic Revolutionary Guard Corp-Qods

Force (IRGC-QF), a designated Foreign Terrorist Organization (FTO).

On Oct. 20, 2022, in support of its ongoing criminal investigation, the United States filed a civil forfeiture complaint alleging that the aircraft's transfer from Mahan Air to Empresa de Transporte Aéreo cargo del Sur, S.A. (EMTRASUR), a Venezuelan cargo airline and subsidiary of a Venezuelan state-owned company, violated U.S. export control laws. [READ MORE](#)

[BIS: Freight Forwarder Settlement on Iran Shipments](#)

A Jamaica, NY freight forwarder settled with the Bureau of Industry and Security for facilitating the export of enterprise servers and switches from the US to Iran without the required US government authorization.

The settlement calls for a two-year suspended denial of its export privileges, thereafter waived, provided no further violations and completion of compliance training. [READ MORE](#)

[Montreal Woman Guilty Laundering Brooklyn Dual Use Cash](#)

A Montreal woman pleaded guilty to money laundering conspiracy for her role in a multimillion-dollar scheme to send components used in unnamed aerial vehicles (UAVs) and guided missile systems and other weapons to sanctioned entities in Russia.

Last October, a criminal complaint was unsealed, and a Brooklyn, New York, resident and two Canadian nationals were arrested in connection with a global procurement scheme in which the defendants used two corporate entities registered in Brooklyn to unlawfully source and purchase dual-use electronics on behalf of end-users in Russia, including companies affiliated with the Russian military. [READ MORE](#)

[Volkswagen Uyghur Customs Jam](#)

Volkswagen said Tuesday that U.S. Customs had detained several thousand Bentley, Porsche and Audi vehicles at ports because the cars contained a part made by a Chinese supplier on a sanctions list for using forced labor in Xinjiang.

The automaker describes the part's origin as a "sub-supplier," meaning a supplier to one of its suppliers—an entity far down the supply chain. Last year VW committed to conducting a supply chain audit for exposure to modern slavery. [READ MORE](#)

[USMCA Japanese Auto Supplier Case Resolved](#)

The United States and Mexico announced the successful resolution of the Rapid Response Labor Mechanism (RRM) matter at the Fujikura Automotive wire harness facility in Piedras Negras. A complaint alleged the firm was blacklisting workers from an American-owned trim plant shuttered in a prior RRM dispute.

After the United States requested that the Government of Mexico review the matter, Mexico conducted an

investigation and undertook multiple remediation steps to ensure workers' rights are protected at the facility. [READ MORE](#)

[USMCA Chinese Auto Parts Supplier Case Resolved](#)

The United States and Mexico today announced the successful resolution of a USMCA Rapid Response Labor Mechanism (RRM) matter at Asiaway Automotive Components Mexico in San Luis Potosí an automotive components manufacturer where workers were previously denied their freedom of association and collective bargaining rights.

After the United States requested Mexico's review of the matter, Mexico and the company took several actions to address violations of labor law, including reinstating and paying backpay to a wrongly dismissed worker and correcting other employer interference in union activities.... [READ MORE](#)

[ExIm: Malay Refinery Funding Boosted](#)

The Export-Import Bank of the United States has received a request to increase the financed amount for a Malaysian petrochemical complex. Indications are the funding will support the work of Honeywell UOC's engineering of the Pengareng Energy Complex at the tip of the Malaysian Peninsula.

Pengerang Energy Complex (PEC) Petrochemical Project is being developed by Singapore-based ChemOne Corp, with agreements for feedstock supply and product off-take with energy majors Chevron and Equinor, Thai national oil company PTT, and trading house Mitsui & Co. Ltd, worth a combined total of US\$102 billion.... [READ MORE](#)

[Exim: Guarantee for UAE Oilfield Project](#)

French oilfield services giant SLB has applied for the Export Import Bank to extend a long-term loan guarantee in excess of \$100 million to entities controlled by the investment arm of the in the Kingdom of Bahrain.

The vote for this project comes after resignations from climate advisors who were shut out of project evaluations and deliberations. ExIm also failed to disclose the project funding amount, despite pressure from civil society and environmental groups. [READ MORE](#)

[U.S.-Japan Supply Chain Task Force: Human Rights and Labor Standards](#)

The United States and Japan held the first round of government and stakeholder dialogues under the Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains.

Established in January 2023, the Task Force aims to protect and promote human rights and internationally recognized labor rights in supply chains. Its activities include sharing information on respective trade policies, laws, guidelines, and, where appropriate, enforcement practices. [READ MORE](#)

COAC: Customs Advisory Committee Named

The U.S. Customs and Border Protection (CBP) Commercial Customs Operations Advisory Committee (COAC) reappointed 14 members for the 17th term. Additional 17th term COAC appointments will be made and announced at a later date. [READ MORE](#)