

# Washington Tariff & Trade Letter

Vol. 44, No. 9

[wttonline.com](http://wttonline.com)

February 26, 2024

## Treasury Sanctions Hundreds in Anniversary package

Joining British and European allies, the US imposed a further raft of sanctions on Russia and her enablers.

Treasury's Office of Foreign Assets Control (OFAC) is sanctioning almost 300 individuals and entities. This is the largest number of sanctions imposed since Russia's 2022 invasion of Ukraine.

State is designating three Government of Russia officials in connection with Aleksey Navalny's death; together, Treasury and State are sanctioning over 500 targets. The Department of Commerce is also adding more than 90 companies to the Entity List.... [READ MORE](#)

## White House Tackles Port Security

The White house announced initiatives to improve the cyber security of the US Port infrastructure, with enhanced authorities for the Coast Guard to inspect vessels and write minimum cybersecurity rules.

Additionally, the administration will invest over \$20 billion to subsidize the manufacture of cranes in the US and Korea, to reduce a dependence on Chinese supply. There are no plans to replace the over 200 Chinese cranes already in place. [READ MORE](#)

## \$1.5 Billion for Abu Dhabi Owned Chip Plant

The U.S. Department of Commerce and GlobalFoundries (GF) have signed a non-binding preliminary memorandum of terms (PMT) to provide approximately \$1.5 billion in direct funding under the CHIPS and Science Act.

The proposed funding would support a new state-of-the-art facility, significant capacity expansion, and the modernization of GF's U.S. manufacturing sites in New York and Vermont, which produce essential automotive, communications, and defense semiconductor technologies. [READ MORE](#)

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## Policy & Politics

### [S.Korea, US, Japan Call for Stern Response to DPRK-Russia Arms Trade](#)

The foreign ministers of South Korea, the United States and Japan agreed on the need for a firm response to North Korea's provision of arms to Russia for its war against Ukraine, as well as on enhancing cooperation to address North Korean threats, South Korea's Foreign Ministry said Friday. [READ MORE](#)

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### [Akin Gump adds more Trade Security Clout](#)

Akin Gump announced Opher Shweiki, former Commerce Department Chief Counsel for the Bureau of Industry and Security (BIS), has joined as a partner in its Washington, D.C. office.

Prior to his role at BIS, Shweiki was the National Security and Cybercrime Coordinator at the Executive Office for U.S. Attorneys and an Assistant U.S. Attorney with the U.S. Attorney's Office in Washington, D.C. [READ MORE](#)

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### [DHS Factsheet on Marine Security Measures](#)

DHS Released a Fact Sheet summarizing administration actions taken to protect marine infrastructure. [READ MORE](#)

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### [FATF Plenary Wrap: Trusts, Wires & Russia.](#)

The Financial Action Task Force (FATF), the global standard-setting body for anti-money laundering and countering the financing of terrorism (AML/CFT), concluded its fifth Plenary under the Singaporean presidency on Friday.

The FATF made several key advances, including kicking off a public consultation on potential changes to the FATF Recommendation on wire transfer information and the adoption of new guidance on trusts. The FATF also noted its concern on Russian Federation's growing financial connectivity with North Korea and Iran. [READ MORE](#)

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### [AMLA: European AML HQ in Frankfurt](#)

The Council and the European Parliament representatives reached an agreement on the seat of the future European authority for anti-money laundering and countering terrorist financing (AMLA).

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## Enforcement

### [Seized Machine Tool Funds to Ukraine Reconstruction](#)

Nearly \$500,000 of forfeited proceeds of an illicit machine tool sale to Russian buyers will be used to support a drone-based program to assess the damage Russian aggression has done to Ukraine's electrical distribution and transmission infrastructure.

Deputy Attorney General Lisa Monaco and Estonian Secretary General Tõnis Saar announced the transfer at the Munich Security Conference Saturday Feb 17. [READ MORE](#)

### [Russian Bankers Charged with Yacht & Property Violations](#)

The Justice Department unsealed of an Indictment charging sanctioned Russian oligarch and the President and Chairman of a Russian state-owned VTB bank, Andrey Kostin, with participating in two separate schemes that violated U.S. sanctions.

The first scheme was to operate, maintain, and improve two superyachts, collectively worth over \$135 million, while the second scheme was related to the operation and transfer of Mr. Kostin's home in Aspen, Colorado. [READ MORE](#)

### [Yakuza Leader Nabbed Trading Yellowcake](#)

A member of the Yakuza crime syndicate was indicted Feb. 21 for trafficking nuclear materials, including weapons-grade plutonium, from Burma. The scheme was uncovered during a DEA investigation into narcotics and firearms trafficking.

The Justice Department announced the issuance of a Superseding Indictment charging TAKESHI EBISAWA with conspiring with a network of associates to traffic nuclear materials from Burma to other countries. [READ MORE](#)

### [Disruptive Tech Task Force Marks One Year](#)

Marking the one-year anniversary of the Disruptive Technology Strike Force, the Departments of Justice and Commerce released a joint fact sheet touting their accomplishments.

The Task force initiated 14 cases involving alleged sanctions and export control violations, smuggling conspiracies, and other offenses related to the unlawful transfer of sensitive information, goods, and military-grade technology to Russia, China, or Iran. These cases were brought through the work of U.S. Attorneys' Offices throughout the country and the Counterintelligence and Export Control Section in Justice Department's National Security Division. [READ MORE](#)

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## World Trade Organization

### [WTO: DSB Reform Facilitator's Swan Song](#)

A year after facilitating the informal discussions for reforming the World Trade Organization's fractured dispute settlement body, the facilitator, Marco Molina from Guatemala appears to have been called by his government with immediate effect from Geneva, said people familiar with the development.

In his last report to the special General Council meeting on February 14, Mr. Molina made the following observations, which are reproduced here below verbatim: [READ MORE](#)

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### [USTR Report on China in WTO](#)

The Office of the United States Trade Representative released its 2023 Report to Congress on China's WTO Compliance, the Biden-Harris Administration's assessment of the People's ... [READ MORE](#)

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### [WTO: US Lawmakers Call for Hard Line on Fishery Forced Labor](#)

A bipartisan group of 12 members of the House Ways and Means Committee are calling on the Administration to investigate allegations of forced labor in seafood supply chains with China and take action, including at the World Trade Organization.

The lawmakers, led by Reps. Jimmy Panetta (D-Calif) and Michelle Steel (R-Calif), urged the Administration to "drive a hard bargain" at the WTO's upcoming 13th ministerial for disciplines on distortive fishing subsidies and challenging forced labor in seafood supply chains. [READ MORE](#)

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### [WTO: US Loses Olive Dispute](#)

The United States lost a trade dispute with the European Union at the World Trade Organization after a compliance panel found that Washington failed to implement the relevant aspects of a ruling issued by a dispute settlement panel against anti-dumping duties imposed on raw olives from Spain. [READ MORE](#)

## Rules & Regulations

### High Speed Cameras Rule Published

To reflect technical advances, the Commerce Department has published new rules governing high-speed cameras.

While ECCNs 6A003 and 6A203 control specified cameras, this new control will capture cameras that are not controlled by either ECCNs 6A003 or 6A203 and have the following characteristics: (1) minimum exposure time of 1 microsecond or faster; and (2) a throughput of 13.43 Giga Pixels per second or greater when taken at 205,000 frames per second. [READ MORE](#)

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### Resolving AES Response Messages

When a shipment is filed to the AES, a system response message is generated and indicates whether the shipment has been accepted or rejected. If the shipment is accepted, the AES filer ... [READ MORE](#)

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### FinCEN Small Entity BOI Disclosure Guidance

The Financial Crimes Enforcement Network (FinCEN) published a small entity compliance guide today that provides an overview of the requirements regarding access to beneficial ownership information (BOI) by small entities.

The guide includes sections summarizing the Access Rule's requirements that pertain to small financial institutions' access to BOI. [READ MORE](#)

## Sanctions

### Treasury: Oil Price Cap Phase Two Effective

The Oil Price Cap permits service providers in Coalition countries to support the Russian oil trade only if the oil was sold at or below a specific cap.

A Treasury policy note looks at the difference that the price cap is continuing to make three months into the second phase, as the coalition continues to take action to enforce the prohibition against the use of G7 services outside the cap. [READ MORE](#)

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## [OFAC Sanctions Russian Shipowning Group](#)

Treasury's Office of Foreign Assets Control (OFAC) has targeted Joint Stock Company Sovcomflot, Russia's state-owned shipping company and fleet operator. In addition to designating Sovcomflot, OFAC is identifying 14 crude oil tankers as property in which Sovcomflot has an interest. [READ MORE](#)

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## [UK Publishes Sanctions Strategy](#)

22 February, the UK Government published its first sanctions strategy.

The UK has transformed its use of sanctions since acquiring autonomous sanctions powers under the Sanctions and Anti-Money ... [READ MORE](#)

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## [EU: 13th Sanctions package tags China and India](#)

The European Union announced another round of sanctions on Russia and her allies, extending the reach to include Chinese and Indian firms complicit in avoiding existing restrictions.

The new measures focus on the procurement network supporting Russia's military, especially the supply chain to make drones. Twenty-seven companies were added to the Annex IV list, which means European firms cannot sell dual-use goods to them. [READ MORE](#)

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## [OFAC Russian Seafood Temporary G/L](#)

The Department of the Treasury's Office of Foreign Assets Control (OFAC) is issuing Russia-related General License 83A, "Authorizing Certain Transactions Related to Imports of Certain Categories of Fish, Seafood, and Preparations Thereof Prohibited by Executive Order 14068."

The General License permits importation into the United States of seafood derivative products that were loaded onto a vessel at the port of loading prior to February 20, 2024, pursuant to written contracts agreements entered into prior to December 22, 2023, are authorized through May 31, 2024. [READ MORE](#)