

Washington Tariff & Trade Letter

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[MC 13 Fails on Food and Fisheries; e-Commerce & TRIPS](#)

The World Trade Organization's 13th ministerial conference failed to deliver outcomes in agriculture, particularly the permanent solution for public stockholding programs for food security and domestic support work program, as well as on fisheries subsidies for addressing overcapacity and overfishing caused by large-scale subsidizers depleting global fish stocks.

Trade ministers, however, approved the extension of the e-commerce moratorium and some improvements in the special and differential treatment provisions, including for countries graduating from their current least-developed country status, our correspondent writes. [READ MORE](#)

[Abu Dhabi Ministerial Declaration & MC 13 Outcomes](#)

Members adopted the Abu Dhabi Ministerial Declaration, where they committed to preserve and strengthen the ability of the multilateral trading system, with the WTO at its core, to respond to current trade challenges.

Dr Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade of the United Arab Emirates (UAE) and MC13 Chair, thanked members for their active engagement during the Conference. He noted that while not everything that delegations set out to accomplish could be delivered, the commitment shown will further strengthen the multilateral trading system. [READ MORE](#)

[White House Announces Data Security Initiative](#)

President Biden issued an Executive Order intending to prevent the large scale transfer of Americans' personal data to "countries of concern," including Russia and China.

The Executive Order targets personal and sensitive information, including genomic data, biometric data, personal health data, geolocation data, financial data, and certain kinds of personally identifiable information. [READ MORE](#)

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Policy & Politics

[Rules on Connected Vehicle Security Target China](#)

Citing the Chinese government's broad authority to access and control the "vast amounts of data" generated by by chinese vehicles and components, the US Department of Commerce is preparing rules to bar trading with Chinese Automakers and suppliers of advanced componentry.

Commerce has issued an advance notice of proposed rulemaking (ANPRM) seeking public comment to inform the potential development of regulations to secure and safeguard the Information and Communications Technology and Services (ICTS) supply chain for connected vehicles (CVs). [READ MORE](#)

[Sen. Hawley Calls for Fivefold Boost in China EV Tariffs](#)

Sen. Josh Hawley has introduced legislation to increase the tariffs on Chinese Electric Vehicles from the current 25 percent to 125 percent.

This would be the first time that congress has actually set tariff rates since the Tariff Act of 1930, cosponsored by Rep. Willis Hawley of Oregon. [READ MORE](#)

[e-Commerce Floods US with Unsafe Chinese Goods: CPSC Chief](#)

The nation's chief regulator for consumer safety told a congressional panel that the flood of small packages from China has rendered effective enforcement impossible.

Consumer Product Safety Commission (CPSC) director of the Office of Import Surveillance James Joholske told the panel that his agency's resources were overwhelmed by fast-fashion and Fulfilled by Amazon third party shipments. [READ MORE](#)

[Gallagher Slams de minimus](#)

"According to CBP, more than 485 million de minimis shipments have already entered the United States in FY24, on top of the 1.05 billion shipments that entered tax-free under de minimis rules in 2023, itself a shocking 53% increase from 2022," reads a report from Chairman Mike Gallagher (R-WI) of the House Select Committee on the Chinese Communist Party,

"No less than 94% of all import transactions now enter the U.S. through De Minimis rules, accounting for 90% of all illegal narcotics, agricultural goods, and counterfeit seizures by customs," said the lawmaker. [READ MORE](#)

[FinCEN Updates High Risk Jurisdiction Lists](#)

As we reported last week, the Financial Action Task Force (FATF), completed its plenary and issued outcomes and updates, including an update of its lists of jurisdictions with strategic AML/CFT/CPF deficiencies

This week Financial Crimes Enforcement Network (FinCEN) is informing U.S. financial institutions of the continued suspension of the membership of the Russian Federation. [READ MORE](#)

[USTR Releases Policy Agenda & Annual Report](#)

The Office of the United States Trade Representative today released President Biden's 2024 Trade Policy Agenda and 2023 Annual Report to Congress, which details USTR's work to advance President Biden's trade agenda. [READ MORE](#)

Enforcement

[Boeing Settles Widespread Compliance Failures on Installment Plan](#)

The Boeing Company will make three \$9 million payments to the government to settle a pattern of material violations of export control law, including unauthorized exports of USML controlled technical data, unauthorized exports of defense articles, and Unauthorized Exports Resulting from Fabricated Permanent Export Licenses.

The company agreed to name a Designated Official to head a review of the firm's compliance and to spend at least \$24 million on consultants, auditors and training. [READ MORE](#)

[Another Swiss Commodity Firm Fined in Ecuador Bribery Case](#)

Following the lead of its fellow commodity trading firms Vitol, Freepoint, Trafigura and Glencore, Geneva-based Gunvor Group., has pleaded guilty and will pay over \$661 million to resolve an investigation by the U.S. Justice Department into violations of the Foreign Corrupt Practices Act (FCPA).

Gunvor's guilty plea stemmed from the company's corrupt scheme to pay substantial bribes to Ecuadorean government officials to secure business with Ecuador's state-owned and state-controlled oil company, Petroecuador. [READ MORE](#)

[Entity List Adds: Web-Monitoring in Egypt; Tech for Chinese Universities](#)

The Commerce Department's Bureau of Industry and Security (BIS) added two entities to the Entity List under seven entries for activities contrary to U.S. national security and foreign policy interests Monday.

One entity was found to have been involved in supporting online censorship and surveillance to target political actors and human rights activities in Egypt, and the other is being added for diversion of U.S. items to a Chinese Entity Listed party. [READ MORE](#)

[Hong Kong -based Russian Guilty in Dual-Use Case](#)

A Russian national based in Hong Kong pleaded guilty to money laundering and smuggling charges for illicitly procuring dual-use, military-grade microelectronics for export to Russia,

Members of the conspiracy procured these sensitive microelectronics by falsely representing to the U.S. distributors (who, in turn, are required to report to U.S. agencies) that the Hong Kong shell entity was sending the shipments to end users located in China, Hong Kong, and other countries outside of Russia for use in electron microscopes for medical research. In reality, the OLED micro-displays were destined for end users in Russia. [READ MORE](#)

[Lacey Act: Turtles & Butterflies](#)

A Florida man pleaded guilty Wednesday to federal criminal charges for conspiring to illegally export thousands of turtles to Germany and Hong Kong, and falsifying documents to conceal his conduct.

In other Lacey Act News, a 75 year old lepidopterist in New York pleaded guilty to smuggling rare birdwing butterflies. [READ MORE](#)

Export Controls

[DTAG: Defense Trade Advisory Board Members Sought](#)

The U.S. Department of State's Bureau of Political-Military Affairs "the Bureau" is accepting membership applications for the Defense Trade Advisory Group (DTAG).

The Bureau is interested in applications from subject matter experts from the United States defense industry, relevant trade and labor associations, and academic and foundation personnel. [READ MORE](#)

[ATF Information Collection Notices](#)

The Bureau of Alcohol, Tobacco, Firearms and Explosives, Department of Justice has published two notices for firearms dealers. The first reviews form 9, for approval to export. The second governs reporting of certain long gun sales in southern border states. [READ MORE](#)

Sanctions

[OFAC Sanctions Iran Vessels, Official, & Yemeni](#)

Treasury's Office of Foreign Assets Control (OFAC), in coordination with the United Kingdom, has sanctioned the Deputy Commander of Iran's Islamic Revolutionary Guard Corps-Qods Force, a Yemeni militant, and two cargo vessels carrying Iranian petroleum. [READ MORE](#)

[OFAC Renames Darfur Sanctions, Updates Venezuela, Grammer](#)

Treasury's Office of Foreign Asset Control issued notices renaming and modifying sanctions in Sudan, updating Venezuela FAQs, and making grammatical changes to update existing sanctions. [READ MORE](#)

[Diamond Restrictions in Effect](#)

Beginning on the effective date of March 1, 2024, all entry and certified from summary transactions that include Russian diamonds will require a self-certification statement to be uploaded to the Automated Commercial Environment (ACE) Document Image System (DIS). [READ MORE](#)