

# Washington Tariff & Trade Letter

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## [Port Crane Drama Escalates](#)

House Republican leaders have sent a letter to Shanghai Zhenhua Heavy Industries (ZPMC), the dominant supplier of port cargo cranes, demanding answers regarding findings of the Committees' joint investigation into the operation of ZPMC-manufactured cranes at U.S. ports.

The letter details concerns related to cellular modems discovered on ship-to-shore (STS) crane components at a U.S. seaport and a cellular modem discovered in another U.S. seaport's server room that houses STS cranes' firewall and networking equipment. [READ MORE](#)

## [TriSeal Note for Foreign Persons on Sanctions & Export](#)

### [Controls](#)

The Departments of Justice, Commerce, and Treasury's Office of Foreign Assets Control, have issued a Tri-Seal Compliance Note: Obligations of foreign-based persons to comply with U.S. sanctions and export control laws.

The Note highlights the applicability of U.S. sanctions and export control laws to persons and entities located abroad, as well as the enforcement mechanisms that are available for the U.S. government to hold non-U.S. persons accountable for violations of such laws, including criminal prosecution. [READ MORE](#)

## [Fashion Customs Fraud: Four Years and \\$10.4 million](#)

A California fashion company executive was sentenced today to 48 months in federal prison for undervaluing imported garments in a scheme to avoid paying millions of dollars in customs duties.

The Executive's company, Ghacham Inc., which does business under the "Platini" brand name, imported clothing from China and submitted fraudulent invoices to U.S. Customs and Border Protection (CBP) that undervalued the shipments, allowing the company to avoid paying the full amounts of tariffs owed on the imports. [READ MORE](#)

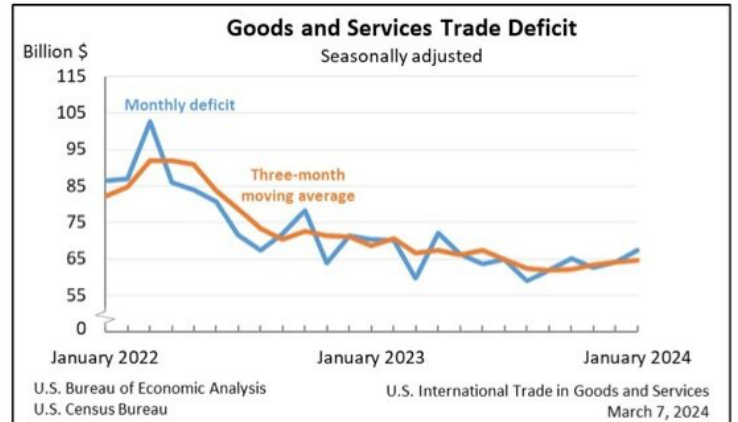
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## January Trade Figures

U.S. INTERNATIONAL TRADE IN GOODS AND SERVICES DEFICIT		
<b>Deficit:</b>	<b>\$67.4 Billion</b>	<b>+5.1%°</b>
<b>Exports:</b>	<b>\$257.2 Billion</b>	<b>+0.1%°</b>
<b>Imports:</b>	<b>\$324.6 Billion</b>	<b>+1.1%°</b>
<b>Next release: Thursday, April 4, 2024</b>		
(*) Statistical significance is not applicable or not measurable. Data adjusted for seasonality but not price changes.		
Source: U.S. Census Bureau, U.S. Bureau of Economic Analysis; U.S. International Trade in Goods and Services, March 7, 2024.		



The U.S. Census Bureau and the U.S. Bureau of Economic Analysis announced Thursday that the goods and services deficit was \$67.4 billion in January, up \$3.3 billion from \$64.2 billion in December, revised. [READ MORE](#)

## Policy & Politics

### Rewards to Whistle: Monaco

Deputy Attorney General Lisa Monaco announced a new whistleblower program during her Keynote Remarks at the American Bar Association’s 39th National Institute on White Collar Crime

Other Speakers at the event included Acting Assistant Attorney General Nicole M. Argentieri and Assistant Attorney General Matthew G. Olsen

[Prepared Remarks ] [READ MORE](#)

### House Republicans Agree on China Wish List

House Republicans introduced a sweeping bill of anti-China actions including academic, investment, procurement and trade restrictions, as well as tax breaks and increased spending on economic statecraft and IP protection.

A grab bag of longstanding China Hawk demands, the 72 page bill contains the collective wish list, the sweepings if you may, from a session of inaction by house leadership on substantive China legislation. [READ MORE](#)

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## [House Panel Moves Swiftly on Data Security](#)

The House Energy and Commerce Committee advanced two bipartisan pieces of legislation today to protect Americans' data and national security against foreign adversaries. Both bills were advanced to the House Floor with unanimous support. [READ MORE](#)

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## [Punta Cana hosts IDB and Americas Partnership](#)

The United States hosted a meeting of the Finance Track of the Americas Partnership for Economic Prosperity on the sidelines of the Inter-American Development Bank (IDB) Annual Meetings in Punta ... [READ MORE](#)

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## Enforcement

### [Ericsson Ethics and Compliance Makeover Continues](#)

Beleaguered Swedish telecoms maker Ericsson has shaken up its compliance operation once again, naming Becky Rohr, current head of investigations, head of compliance as well. Jan Sprafke, appointed compliance chief six months ago, will be leaving the company.

Ms. Rohr was previously Vice President, Anti-Corruption and Global Trade, Ethics & Compliance Office at Hewlett Packard, and held numerous roles in civil and criminal fraud prosecution in the Justice Department. She will keep her office in Washington, DC. [READ MORE](#)

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### [Google Engineer Steals AI IP for Chinese Venture](#)

A federal grand jury indicted a Chinese national, charging him with four counts of theft of trade secrets in connection with an alleged plan to steal from Google LLC (Google) proprietary information related to artificial intelligence (AI) technology.

According to the indictment, returned on March 5, Linwei Ding, aka Leon Ding, 38, a national of the People's Republic of China and resident of Newark, California, transferred sensitive Google trade secrets and other confidential information from Google's network to his personal account while secretly affiliating himself with PRC-based companies in the AI industry. Ding was arrested March 6th. [READ MORE](#)

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### [South Sudan Coup Smugglers Foiled](#)

A federal criminal complaint was unsealed Monday charging two men with conspiring to purchase and illegally export millions of dollars' worth of fully automatic rifles, grenade launchers, Stinger missile systems, hand grenades, sniper rifles, ammunition, and other export-controlled items from the United States to South Sudan, in violation of the Arms Export Control Act (AECA) and the Export Control Reform Act (ECRA). [READ MORE](#)

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## Supply Chains

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### [Lexmark Parent Still Under Slavery Embargo](#)

Despite a board of directors rich with boldfaced Washington names, Lexmark parent Ninestar corporation appears unlikely to break free of its designation as an employer of modern slavery under the Uyghur Forced Labor Protection Act.

Last week Judge Gary Katzmann denied Ninestar's Motion for Preliminary Injunction staying the Listing Decision. [READ MORE](#)

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### [USTR seeks Supply Chain Comments](#)

The Office of the United States Trade Representative (USTR) Thursday published a notice in the Federal Register seeking input to inform the development of trade and investment policy initiatives that promote supply chain resilience.

The notice seeks information on developing sector-specific policy tools, strengthening domestic manufacturing and services, collaborating with like-minded trading partners and allies, and measuring resilience, among other topics.

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### [Mineral Security: Graphite, Estonia, MSP Forum](#)

Following the conclusion of the Minerals Security Partnership (MSP) Principals' meeting in Toronto, member states announced the formation of a graphite working group, the inclusion of Estonia in the membership, and reviewed progress of the partnership to responsibly develop critical minerals projects. [READ MORE](#)

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### [ExIm Explores Critical Minerals Finance](#)

EXIM reviews over the last few years indicate that critical minerals are a crucial component of multiple transformational export areas—and the U.S. lags the PRC in the proven reserves, mining, ... [READ MORE](#)

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### [Aluminum Extrusion Determination](#)

The Commerce Department announced affirmative preliminary subsidy determinations on the import of certain aluminum extrusion products from China , Indonesia , Mexico and Turkey . The U.S. Aluminum ... [READ MORE](#)

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## Sanctions

### "Predator" Spyware Network Targeted

Treasury's Office of Foreign Assets Control (OFAC) designated two individuals and five entities associated with the Intellexa Consortium for their role in developing, operating, and distributing commercial spyware technology used to target Americans, including U.S. government officials, journalists, and policy experts.

Since its founding in 2019, the Intellexa Consortium has acted as a marketing label for a variety of offensive cyber companies that offer commercial spyware and surveillance tools to enable targeted and mass surveillance campaigns. [READ MORE](#)

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### More Wagner Group Sanctions in Africa

Treasury's Office of Foreign Assets Control (OFAC) sanctioned two companies - one in Russia and one in the Central African Republic (CAR) - for their efforts in advancing Russia's malign ... [READ MORE](#)

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### Zimbabwe Sanctions get More Personal

Treasury is designating three entities and eleven individuals, including President Emmerson Mnangagwa, Vice President Constantino Chiwenga, Brigadier General (Retired) Walter Tapfumaneyi, and ... [READ MORE](#)