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BIS Enforcement: Four New Initiatives

Assistant Secretary for Export Enforcement Matthew Axelrod announced four new Enforcement Initiatives at the 2024 Update Conference on Export Controls and Policy.

In his plenary address, Mr. Axelrod introduced new guidance for the Freight Forwarder community, an updated compendium of enforcement examples, an antiboycott blacklist, and enhanced outreach to manufacturers and distributors of restricted good discovered on the battlefield in Ukraine. [READ MORE](#)

BIS Update Conference Standing Room Only

The Commerce Department's Bureau of Industry and Security 2024 Update Conference kicked off Wednesday to a full house in Washington, with over 1,100 attendees registered and many breakout sessions extended to overflow rooms with video feeds.

While Commerce Secretary Gina Raimonda was unable to attend in person, Under Secretary of Commerce for Industry and Security Alan Estevez greeted attendees with a recap of the work undertaken since the last conference in 2022, and insights on where things are headed. [READ MORE](#)

BIS Export Administration: New Organization

Export Administration is getting a new leadership framework, including the creation of Deputy Assistant Secretary roles for Strategic Trade and Technology Security, under the oversight of the newly elevated Principal Deputy Assistant Secretary Matt Borman.

The Changes involve dividing EA's functions into two primary channels: Strategic Trade, focusing on licensing, outreach, and training, and Technology Security, which encompasses defense industrial base (DIB) responsibilities, analysis, and regulatory work. [READ MORE](#)

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Policy

[State to Promote Semiconductors in Mexico](#)

The U.S. Department of State will partner with the Government of Mexico to explore opportunities to grow and diversify the global semiconductor ecosystem under the International Technology Security and Innovation (ITSI) Fund, created by the CHIPS Act of 2022.

The initial phase includes a comprehensive assessment of Mexico's existing semiconductor ecosystem and regulatory framework, as well as workforce and infrastructure needs. Key stakeholders in the Mexican ecosystem, such as state governments, educational institutions, research centers and companies will participate in this analysis in conjunction with Mexico's Secretariat of Economy. [READ MORE](#)

[White House Releases "Responsible Business Conduct" Action Plan](#)

United States' second National Action Plan (NAP) on Responsible Business Conduct was released Monday. "reflecting a commitment to strengthen and improve respect for human rights and labor rights, expand use of green energy, counter corruption, protect human rights defenders, advance gender equity and equality, and promote rights-respecting use of technology," according to a statement.

One element of the plan calls for suspension or debarment of federal contractors repeatedly cited by CBP for violations. [READ MORE](#)

[Yellen Blasts China's Overcapacity](#)

Treasury Secretary Janet Yellen came down hard on China last week, warning that Beijing is dumping clean energy products on the global market, bringing down prices and threatening the Administration's effort to promote green manufacturing.

"I am concerned about global spillovers from the excess capacity that we are seeing in China," Ms. Yellen said in a speech while visiting US solar company Suniva in Georgia. [READ MORE](#)

[Rep. Molenaar to Chair China Committee](#)

Speaker Mike Johnson named Michigan representative John Molnar to take over the Chairmanship of the House Select Committee on the Chinese Communist Party being vacated by Rep. Mike Gallagher(R-WI).

The Midland Michigan lawmaker can be expected to continue Mr. Gallagher's efforts to cultivate bipartisan consensus on commercial relations with our greatest adversary. [READ MORE](#)

[Vietnam Urges Market Economy Status](#)

Vietnamese Foreign Minister Bui Thanh Son urged the United States to recognize Vietnam as a market economy, arguing that the country could become an important part of US supply chains in the region.

Vietnam has been pressing Washington to remove its current non-market economy status, which puts it in the same league as China and can lead to high tariffs in trade remedy cases. [READ MORE](#)

[Lynch confirmed as AUSTR South Asia](#)

The Office of the United States Trade Representative (USTR) today announced that Brendan Lynch will serve as the Assistant United States Trade Representative for South and Central Asia.

Lynch had served as the Acting Assistant United States Trade Representative for South and Central Asia since March of 2023. His more than ten years with the USTR have included posts as Director for India and Director of Agricultural Affairs. [READ MORE](#)

[Export Control](#)

[BIS Issues Red Flags and Guidance for Freight Forwarders](#)

The Department of Commerce's Bureau of Industry and Security (BIS) has published a document containing updated guidance and best practices for freight forwarders and exporters who use freight forwarders to help them ensure compliance with U.S. export controls and regulatory requirements. [READ MORE](#)

[Commerce Introduces Boycott Blacklist](#)

In line with the Administration's renewed focus on antiboycott enforcement, the Commerce Department has introduced a public list of entities identified as having made a boycott-related request in ... [READ MORE](#)

[October 25 Chip Rules Corrected & Clarified](#)

BIS has published corrections and amendments to the October 25 2023 Semiconductor and Advanced Computing Rules. This rule corrects inadvertent errors in those rules and makes additional clarifications for the two rules. [READ MORE](#)

[Chinese Chip Plant Blacklist Pending](#)

The United States will publish a list of advanced Chinese chipmaking factories barred from receiving key tools, Reuters reported Thursday, citing three separate sources.

The list could be released in the next couple of months, according to the report.. [READ MORE](#)

World Trade Organization

[India calls for Development Priority at WTO](#)

In light of what seems to be an impending sense of defeatism and waning interest in the World Trade Organization (WTO) as it approaches its 30th anniversary at the end of December, India has advocated for the prioritization of discussions on “cross-cutting, real-life trade issues” that disproportionately affect developing countries, according to individuals familiar with the discussions. [READ MORE](#)

[WTO China Targets US EV Subsidies](#)

China has requested WTO dispute consultations with the United States regarding certain tax credits under the US Inflation Reduction Act to promote the production of electric vehicles and renewable energy projects. The request was circulated to WTO members on 28 March. [READ MORE](#)

[US Blocks Remittances Initiative](#)

The United States has vetoed India's proposal for initiating a focused work program at the World Trade Organization's Committee on Trade in Financial Services to lower remittance costs. Washington proposed that India might instead advance its proposal through a plurilateral initiative, according to sources.

India staunchly opposes plurilateral agreements, claiming they violate WTO rules and detract from the multilateral framework. [READ MORE](#)

Enforcement

[Yet Another Swiss Trader Fined in Petrobras Graft](#)

Swiss commodity broker Trafigura pleaded guilty to crimes related to bribing Brazilian officials of the state owned oil company Petrobras, the Justice Department announced March 28.

The \$126 million settlement noted the firm's extensive prior misconduct, as well that "Trafigura was slow to exercise disciplinary and remedial measures," and "Trafigura failed to preserve and produce certain documents and evidence in a timely manner and, at times, took positions that were inconsistent with full cooperation." [READ MORE](#)

[Latvian Indicted in Honeywell Avionics Scheme](#)

The Latvian partner of a Kansas avionics distributor has been indicted for his role in a years-long scheme to sell sophisticated avionics equipment to Russian companies, in violation of U.S. export laws.

The defendant is the third to be arrested and charged in connection with the conspiracy led by a Kansas company and two U.S. nationals, originally reported on March of 2023 [READ MORE](#)

[California Man Sentenced 1 year for Arms Shipment to Oman](#)

A California man was sentenced for attempting to ship firearms and night-vision equipment to the Sultanate of Oman.

He attempted to conceal the firearms by disassembling them, wrapping them in aluminum foil, and then secreting them within automobiles inside the shipping container. [READ MORE](#)

[BIS "Don't let this happen to you" Updated](#)

Commerce's Bureau of Industry and Security has published an updated version of "Don't Let This Happen to You" a compendium of case examples highlighting their criminal and administrative enforcement efforts. [READ MORE](#)

Sanctions

[More Iran-Related Financiers Sactioned](#)

Treasury's Office of Foreign Assets Control (OFAC) is sanctioning six entities, one individual and two tankers that are based or registered in Liberia, India, Vietnam, Lebanon, and Kuwait that have engaged in facilitating commodity shipments and financial transactions for the Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF), the Houthis, and Hizballah. [READ MORE](#)

[Syria: Illicit Drug Trade and Miner Sanctioned](#)

Treasury's Office of Foreign Assets Control (OFAC) sanctioned 11 individuals and entities supporting the regime of Syrian President Bashar Al-Assad through the facilitation of illicit financial transfers and trafficking of illegal drugs, as well as the extraction and export of Syrian commodities. [READ MORE](#)

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Anti-Money Laundering

[FinCEN Seeks Comments on Customer Identification Program Requirement](#)

The Financial Crimes Enforcement Network (FinCEN) is issuing a request for information (RFI) related to existing requirements for banks under the Customer Identification Program (CIP) Rule to collect a taxpayer identification number (TIN) from a customer prior to opening an account. [READ MORE](#)

[U.S. "Largely Compliant" in Ownership Transparency](#)

The Financial Action Task Force (FATF)—the global standard-setting body for anti-money laundering, countering the financing of terrorism, and countering proliferation financing (AML/CFT/CPF)—announced that the United States has been upgraded to "largely compliant" with FATF Recommendation 24, which relates to beneficial ownership transparency for legal persons. [READ MORE](#)

[Alternative Payments Networks Sanctioned](#)

Treasury's Office of Foreign Assets Control (OFAC) sanctioned thirteen entities and two individuals for operating in the financial services and technology sectors of the Russian Federation economy including persons developing or offering services in virtual assets that enable the evasion of U.S. sanctions.

"Russia is increasingly turning to alternative payment mechanisms to circumvent U.S. sanctions and continue to fund its war against Ukraine," said Under Secretary of the Treasury for Terrorism and Financial Intelligence, Brian E. Nelson. [READ MORE](#)

Anti-dumping

[Commerce AD/CVD Rule Revisions Released](#)

The Commerce Department has announced significant updates to its antidumping and countervailing duties (AD/CVD) regulations.

In voluminous revisions to the proposed rule of May 2023, Commerce is revising some of its procedures, codifying certain areas of its practice, and enhancing certain areas of its methodologies and analyses to address price and cost distortions, as well as certain countervailable subsidies, in different capacities. [READ MORE](#)

[ITC Finalizes AD/CVD and 337 Rule](#)

The United States International Trade Commission proposes to amend its Rules of Practice and Procedure concerning rules of general application, safeguards, antidumping and countervailing duty investigations, and section 337 adjudication and enforcement. [READ MORE](#)