

Washington Tariff & Trade Letter

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[Trade & Technology Council Aims at AI](#)

The EU and the United States held the sixth meeting of the EU-US Trade and Technology Council (TTC) in Leuven, Belgium. Building on prior gatherings, the ministerial continued to polish areas of common interest, while softpedaling longstanding areas of disagreement.

Responding to a question about the effectiveness of the TTC, Ms. Raimondo pushed back: "Look at where the US and the EU were three years ago with respect to our collaboration on issues of technology and trade. It's it's nearly night and day." [READ MORE](#)

[Minerals Security Partnership Forum Announced](#)

The EU, the US, and other Minerals Security Partnership (MSP) partners, joined by Kazakhstan, Namibia, Ukraine, and Uzbekistan, announced the launch of the Minerals Security Partnership Forum – or "MSP Forum". The forum will serve as a new platform for cooperation in the area of critical raw materials (CRMs) vital for the global green and digital transitions. [READ MORE](#)

[US-UK Artificial Intelligence Safety Pact](#)

The U.S. and UK Monday signed a Memorandum of Understanding (MOU) which will see them work together to develop tests for the most advanced AI models, following through on commitments made at the AI Safety Summit last November.

Signed by U.S. Commerce Secretary Gina Raimondo and UK Technology Secretary Michelle Donelan, the partnership will see both countries working to align their scientific approaches and working closely to accelerate and rapidly iterate robust suites of evaluations for AI models, systems, and agents. [READ MORE](#)

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[US Trade Figures for February](#)

The U.S. Census Bureau and the U.S. Bureau of Economic Analysis announced today that the goods and services deficit was \$68.9 billion in February, up \$1.3 billion from \$67.6 billion in January, revised.

February exports were \$263.0 billion, \$5.8 billion more than January exports. February imports were \$331.9 billion, \$7.1 billion more than January imports. [READ MORE](#)

[Biden Raises Trade in Talk with Xi](#)

President Biden raised concerns about China's unfair trade and non-market economic practices in a phone call Tuesday with Chinese President Xi.

It was the first time the two leaders have spoken directly since last November. The telephone conversation came on the same day it was announced that Treasury Secretary Janet Yellen will be leaving for a visit to Beijing beginning today. [READ MORE](#)

[Yellen Not Ruling Out Steps Against China](#)

Treasury Secretary Janet Yellen said she would not rule out the possibility of taking stronger measures to protect key US industries and combat China's economic aggression. [READ MORE](#)

[House Panel Zeroes in on China Biotech](#)

The leaders of the House Select Committee on China are warning that a Chinese military company, BGI, is attempting to set up a new firm, Innomics, in Massachusetts and Kentucky, to avoid US regulatory scrutiny.

In a letter to Defense Secretary Lloyd Austin, Committee Chairman Mike Gallagher (R-Wisc) and ranking Democrat Raja Krishnamoorthi (Ill) urged the Pentagon to label Chinese companies that aid the Chinese Communist Party in military biotech research as "Chinese Military Companies." [READ MORE](#)

[US Steel Sale to Japanese Under Siege](#)

It is premature to declare Nippon Steel's bid to buy US Steel dead,, despite election year politics driving acerbic scrutiny from Labor and legislators.

Tuesday, the United Steelworkers scoffed at Nippon Steel's overtures to the union, calling them "nothing more than another collection of empty promises and open-ended language that would enable it to skirt obligations to workers and retirees." [READ MORE](#)

[USTR National Trade Estimate Report Released](#)

United States Trade Representative Katherine Tai today released the 2024 National Trade Estimate Report on Foreign Trade Barriers (NTE Report), which provides a comprehensive review of significant foreign barriers to U.S. exports of goods and services, U.S. foreign direct investment, and U.S. electronic commerce in key export markets for the United States.

Some controversy arose as the list of offending countries has been pared. "The NTE Report has received unprecedented attention this year because we are taking steps to return it to its stated statutory purpose," said Ambassador Tai in explaining the changes. [READ MORE](#)

[USMCA: Miner and Metal Fabricator Targeted by US](#)

Wednesday, the United States has asked Mexico to review whether workers at Minera Tizapa S.A. de C.V., a zinc mine Zacazonapan, Mexico, are being denied the right to freedom of association and collective bargaining. The US has suspended liquidation of tariffs on goods from the facility, a venture of of Industrias Peñoles and Japan's Sumitomo Corp. and Dowa Metals & Mining. Zinc concentrates produced at Tizapa are sent to Japan for processing.

Earlier in the week the US asked Mexico to review whether workers at the Servicios Industriales González, S.A. de C.V. facility, a major metal fabricator and supplier for Caterpillar, John Deere and Komatsu are being denied the right to freedom of association and collective bargaining. The United States has suspended liquidation on unliquidated entries of goods from the facility. [READ MORE](#)

US and European Union officials are looking to the next meeting of the Trade and Technology Council to deliver results in key areas discussed at this week's session, European Commission Executive Vice President Margrethe Vestager said Wednesday..

Those issues – artificial intelligence, semiconductors and standards setting – are ones that Brussels and Washington have been engaged on since the TTC was launched. [READ MORE](#)

WTO

[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](#)

[‘Toothless’ JSI Draft](#)

Statement Initiative (JSI) on electronic commerce have released a draft chair's text described as "toothless" for its exclusion of disciplines on cross-border data flows, server localization, and source code.

This effort aims to forge an agreement before the European summer break, according to individuals close to the negotiations. The draft text was disseminated by Australia, Japan, and Singapore. [READ MORE](#)

Sanctions

[Russian Airline TDO Extended](#)

Commerce's BIS extended the Temporary Denial Order for Russian air cargo operator Aviastar-TU initially imposed in April 2022.

Aviastar has continued to engage in conduct prohibited by the TDO and Regulations, including, but not limited to, on flights into and out of Russia from/to Hangzhou, China as well as domestically within Russia. [READ MORE](#)

[More Sanctions on Iran Facilitators](#)

The Treasury Department announced it is targeting a network facilitating shipments valued in the hundreds of millions for the Iranian military.

Treasury's Office of Foreign Assets Control announced additional action against Iranian military revenue generation, targeting Oceanlink Maritime DMCC for facilitating the shipment of Iranian commodities on behalf of Iran's Armed Forces General Staff and Ministry of Defense and Armed Forces Logistics. [READ MORE](#)

End Notes

[DHS Ups Textile Enforcement Efforts](#)

The Department of Homeland Security (DHS) is launching an enhanced strategy to combat illicit trade and support the American textile industry, with collaborative efforts between U.S. Customs and ... [READ MORE](#)

[ExIm Advisory Committees Open](#)

The Export-Import Bank of the United States (EXIM) has opened the application period for the following 2024-2025 committees and councils:

Advisory Committee, Sub-Saharan Africa Advisory ... [READ MORE](#)