

Washington Tariff & Trade Letter

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TOP STORIES

[Biden, Kishida Avoid Steel Issue](#)

President Biden and Japanese Prime Minister Kishida avoided directly saying whether they discussed Nippon Steel's proposed \$14 billion purchase of the US Steel Corporation during a joint press conference,

The proposed sale is currently under review by the inter-agency Committee on Foreign Investment in the United States and anti-trust regulators. [READ MORE](#)

[Senate Focus on Export Control Enforcement](#)

Wednesday Senators Mitt Romney (R-UT) and Maggie Hassan (D-NH), introduced bipartisan legislation to bolster the Export Enforcement Coordination Center—an interagency hub for information sharing and coordination among the key agencies responsible for export control enforcement.

At a hearing Thursday, officials from Commerce, Justice and Homeland Security were unanimous in their call for resources from Congress. [READ MORE](#)

[Treasury Seeks New Sanctions Tools](#)

The Administration is calling on Congress to give it additional tools to prevent terrorist groups and other malign actors from using crypto-currencies to circumvent US sanctions.

Treasury Deputy Secretary Wally Adeyemo told the Senate Banking Committee last week that the Administration needs "additional tools to protect the American people." [READ MORE](#)

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[US & UK Institute Joint Metals Trading Ban](#)

In a joint action with UK officials, the Treasury Department issued two new prohibitions to disrupt the revenue that Russia earns from its export of aluminum, copper, and nickel.

This new action prohibits the import of Russian-origin aluminum, copper, and nickel into the US and UK, and limits the use of Russian-origin aluminum, copper, and nickel on global metal exchanges and in over-the-counter derivatives trading. [READ MORE](#)

POLICY NOTES

[CFIUS Rules "Sharpened and Enhanced"](#)

The Treasury Department, as Chair of the Committee on Foreign Investment in the United States (CFIUS), issued a Notice of Proposed Rulemaking (NPRM) to "enhance certain CFIUS procedures and sharpen its penalty and enforcement authorities."

The proposed rule reflects CFIUS's first substantive update to the mitigation and enforcement provisions of the CFIUS regulations since the enactment and implementation of the Foreign Investment Risk Review Modernization Act of 2018, which amended CFIUS's governing statute (section 721 of the Defense Production Act of 1950). [READ MORE](#)

[TTC Labor Meeting Yields Little](#)

As part of the United States and European Union Trade and Technology Council (TTC) Ministerial meeting, Ambassador Katherine Tai, United States Trade Representative, and Valdis Dombrovskis, Executive Vice-President and Commissioner for Trade at the European Commission led the principals' meeting of the U.S.-EU tripartite Trade and Labor Dialogue (TALD) on April 4. [READ MORE](#)

[Dems Urge Tariffs on Chinese Autos](#)

Rep. Debbie Dingell (D-Mich) is urging the Administration to protect the US automotive sector from the China's expansion of auto exports by hiking tariffs on Chinese vehicles.

"The influx of low-cost Chinese vehicles backed by the CCP poses a threat to the US automotive sector," Rep. Dingell and eight other members wrote in a letter to US Trade Representative Katherine Tai and Commerce Secretary Gina Raimondo. [READ MORE](#)

[AGOA Renewal Bill Introduced](#)

Legislation to renew the African Growth and Opportunity Act trade preferences program has been introduced by Sens. Chris Coons (D-Del) and Jim Risch (R-Idaho).

The African Growth and Opportunity Act Renewal and Improvement Act of 2024 would provide a long-term extension of AGOA, along with improvements to the program's eligibility criteria. [READ MORE](#)

[Airlines Call for China Flight Limits](#)

Airline industry and labor groups are calling for restrictions on Chinese Airline flights to the US, citing unfair competition.

The groups have asked for a "pause" to additional passenger flights between the United States and China "until U.S. workers and businesses are guaranteed equality of access in the marketplace, free from the existing harmful anti-competitive policies of the Chinese government." [READ MORE](#)

[USMCA Labor Suits Settled](#)

The United States announced two resolutions of labor disputes initiated under the USMCA facility-specific Rapid Response Labor Mechanism (RRM) in Mexico last year.

The Turkish owners of the Teklas Automotive hose assembly plant and the Mexican owners of the Draxton automotive casting operations, both in central Mexico, conducted remediation satisfactory to US officials. USTR has directed the Secretary of the Treasury to resume liquidation of unliquidated entries of goods from the facilities. [READ MORE](#)

SUPPLY CHAINS

[\\$6.6 Billion for Arizona Chip Plant](#)

U.S. Department of Commerce and TSMC Arizona a subsidiary of Taiwan Semiconductor Manufacturing Company Limited (TSMC), have signed a non-binding preliminary memorandum of terms (PMT) to provide up to \$6.6 billion in direct funding under the CHIPS and Science Act. [READ MORE](#)

[Tai to Textile Makers: Put the "U.S." back into USTR.](#)

US Trade Representative Katherine Tai addressed the annual meeting of the National Council of Textile Organizations (NCTO), the umbrella group representing textiles "from fibers to finished products, machinery

manufacturers to power suppliers."

Tai highlighted workstreams on the CAFTA-DR Textiles and Apparel Supply Chain Directory and a joint project with Customs and Border Patrol as examples of industry specific assistance. [READ MORE](#)

[ITC Steel & Aluminum Greenhouse Gas Questionnaire Released](#)

The U.S. International Trade Commission (USITC) released its final questionnaire to assess greenhouse gas emissions intensity of aluminum production in the United States at the company and facility level. [READ MORE](#)

[CBP Bans Prison Glovemaking](#)

U.S. Customs and Border Protection (CBP) personnel at all U.S. ports of entry will detain work gloves manufactured by Shanghai Select Safety Products Company, Limited and its two subsidiaries..

CBP issued a Withhold Release Order (WRO) against Shanghai Select Safety Products Company, Limited and its two subsidiaries Nantong and HK, based on information that reasonably indicates the use of convict labor in violation of 19 U.S.C. § 1307 in the production of that merchandise. [READ MORE](#)

SANCTIONS

[China Sanctions more US Defense Firms](#)

Dronemaker General Atomics Aeronautical Systems and General Dynamics Land Systems, have been sanctioned by the Chinese government for their sales to the government of Taiwan.

Last September China sanctioned Northrop Grumman and Lockheed Martin on the same grounds. Missing from either announcement was Boeing, Taipei's supplier of Harpoon anti-ship missiles. [READ MORE](#)

[Entity List: UAE, Russian, Chinese Traders Added](#)

Commerce Department's Bureau of Industry and Security (BIS) added 11 entities to the Entity List .Five of the eleven entities are Russian and PRC entities were added for actions related to unmanned aerial vehicles (UAVs). Of these, four are part of a procurement network for components for UAV applications. These components are used to develop and produce Shahed-series UAVs which have been used by Iran to attack oil tankers in the Middle East and by Russia in Ukraine. [READ MORE](#)

[OFAC Sanctions Hamas Cyber & UAV Officials](#)

Treasury's Office of Foreign Assets Control (OFAC) is taking action against Hamas, targeting Gaza- and Lebanon-based leaders of the terrorist group's offensive cyber and unmanned aerial vehicle (UAV) operations. Concurrent with this action, the European Union is imposing sanctions targeting Hamas. [READ MORE](#)

END NOTES

[Exim Approves Ukraine Locomotive Sales](#)

The EXIM Board of Directors of the United States (EXIM) last week approved a \$156.6 million loan to Ukrainian Railways to support the potential acquisition of 40 Wabtec diesel locomotives.

This transaction is the first project fully financed by a United States government agency in Ukraine since Russia's invasion began in 2022. [READ MORE](#)

[TAC Members Sought](#)

The Bureau of Industry and Security (BIS), Department of Commerce is announcing its recruitment of candidates to serve on one of its six Technical Advisory Committees ("TACs").

TAC ... [READ MORE](#)

[WTO Global Trade Outlook](#)

Global goods trade is expected to pick up gradually this year following a contraction in 2023 that was driven by the lingering effects of high energy prices and inflation, WTO economists said in a new forecast on 10 April.

Notably, digitally delivered services have shown significant resilience and growth, totaling US\$ 4.25 trillion in 2023, a 9% increase from the previous year and representing 13.8% of global exports. These services have now surpassed pre-pandemic levels by more than 50%. [READ MORE](#)

[UN Trade & Development Rebrand](#)

Six decades after the United Nations Conference on Trade and Development was established to defend developing nations' role in global trade, Rebeca Grynspan, the organisation's secretary general, said that the time has come for its image to be refreshed.

Sitting behind a blue hard-copy mockup of the agency's new name, UN Trade and Development, Grynspan told journalists Tuesday the rebrand "represents a stronger and renewed organisation". [READ MORE](#)

