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[Raimondo Defends Commerce Budget on the Hill](#)

House Republicans' proposed cuts to the Commerce Department's fiscal year 2025 budget will undermine the department's efforts to fight China's attempts to illegally obtain US critical technologies, Commerce Secretary Gina Raimondo warned a house panel last week. She testified at a hearing on her department's budget held by the House Energy and Commerce subcommittee on innovation, data and commerce.

At the same time, a House Appropriations panel was marking up legislation that would dramatically cut Commerce's budget by \$1.275 billion, including the Bureau of Industry and Security and the International Trade Administration. The House Republican plan would cut the budget for BIS by \$36.7 million below the President's request and ITA by \$87.5 million below the request....[READ MORE](#)

[Supreme Court Guts Chevron Deference](#)

The U.S. Supreme Court overturned the Chevron v. Natural Resources Defense Council precedent, which required courts to defer to federal agencies' interpretations of laws during rulemaking.

Friday's decision, made with a 6-3 vote along ideological lines, reduces the authority of executive agencies and raises questions about future regulatory actions across the administrative state.. [READ MORE](#)

[EU 14th Sanctions Package Issued](#)

The European Council adopted Monday a 14th package of economic and individual restrictive measures on Russia. The package includes restrictive measures on additional 116 individuals and entities , as well as sectoral measures on Energy, Third-Country Subsidiaries and other Anti-Circumvention measures, Financial Communications Systems and Defense Industrial Base, Political Activities, Port Access for specific vessels, dual-use and commodity trade controls, as well as legal protections for sanctions compliance and intellectual property.[READ MORE](#)

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TRADE POLICY & POLITICS

[African Growth Act Report, Eligibility Update](#)

The Office of the United States Trade Representative Friday released its 2024 Biennial Report on the Implementation of the African Growth and Opportunity Act (AGOA) Report.

The top destination markets for US exports were South Africa, Nigeria, Ethiopia, Ghana, and Angola, while the top suppliers to the US were South Africa, Nigeria, Ghana, Angola, and Côte d'Ivoire. [READ MORE](#)

[Monaco in Brussels](#)

Deputy Attorney General Lisa Monaco traveled to Brussels last week to lead the U.S. delegation at the U.S.-EU Justice and Home Affairs Ministerial. The Joint Statement from the Ministerial noted that both sides focused on addressing irregular migration, with a view to fight migrant smuggling and trafficking networks, building on the call to action of the Global Alliance to Counter Migrant Smuggling launched in November 2023. [READ MORE](#)

[Japan-US Commercial and Industrial Partnership.](#)

Commerce Secretary Gina Raimondo and Japanese Minister of Economy, Trade and Industry Ken Saito discussed their shared concerns about the use of non-market practices involving supply sources for strategic goods. The two held a ministerial meeting yesterday of the Japan-US Commercial and Industrial Partnership. After bilateral consultations, the two ministers met with their Korean counterpart. [READ MORE](#)

[US-Vietnam Comprehensive Strategic Partnership Economic Dialogue](#)

While Hanoi's red carpet treatment for longtime ally Vladimir Putin spurs consternation in Washington, economic statecraft with the country's largest trading partner continues apace. Under Secretary for Economic Growth, Energy, and the Environment Jose W. Fernandez met with counterparts at the first-ever 2024 U.S.-Vietnam Comprehensive Strategic Partnership (CSP) Economic Dialogue in Washington Tuesday [READ MORE](#)

[Agriculture Seeks Codex Comments](#)

U.S. Codex Office (USCO) invites interested persons to submit their comments on this notice of the Sanitary (human and animal health) and phytosanitary (plant health) standard-setting activities of the Codex Alimentarius (Codex). The notice also provides a list of other standard-setting activities of Codex, including commodity standards, guidelines, codes of practice, and revised texts. [READ MORE](#)

[BIS Updates Boycott Requester List](#)

Commerce's Bureau of Industry and Security (BIS) published its first quarterly update of the boycott Requester List. This list notifies companies, financial institutions, freight forwarders, individuals, and other U.S. persons of potential sources of certain boycott-related requests they may receive during the regular course of business.

The updated public list of entities who have been identified as having made a boycott-related request in reports received by BIS includes 57 additions. BIS has also removed 127 entities. [READ MORE](#)

WTO

[Dispute Settlement Reform Slogs Along](#)

The facilitator overseeing the work on the World Trade Organization's dispute settlement reform presented a report June 20 on various aspects of the central issue concerning the "appeal/review" mechanism that could replace the binding Appellate Body and thereby attenuate the enforcement function of the multilateral trade body, said people familiar with the developments.

Without a robust enforcement function undergirding the two-tier dispute settlement system, which is seen as the jewel in the crown of the Uruguay Round trade agreements that created the WTO in 1995, the value purpose of negotiating any new agreements would become meaningless, said people familiar with the negotiations. [READ MORE](#)

[Pitch for Fisheries Deal in July](#)

The United States, China and New Zealand used a meeting on aid for trade to pitch for early conclusion of the World Trade Organization's fisheries subsidies agreement.

The meeting became a venue for advancing the stalled fisheries subsidies agreement which continues to suffer from alleged historical asymmetries. [READ MORE](#)

[WTO Touts Aid for Trade](#)

Aid for Trade unlocked \$648 billion between 2006 and 2022, according to a new World Trade Organization report.

In her opening remarks at the WTO's meeting on aid for trade, Director-General Ngozi Okonjo-Iweala, said: "One of the most remarkable changes since 1995 is that trade-enabled growth has lifted over 1.5 billion people out of extreme poverty." [READ MORE](#)

FINANCE & INVESTMENT

[Senators Continue to Bash Nippon Buy of US Steel](#)

The proposed purchase of US Steel by Japan's Nippon would undermine US trade enforcement, three Senate Democrats argue in letters to key Administration officials.

Sens. Sherrod Brown (Ohio), Bob Casey (Pa) and John Fetterman (Pa) raised the alarm that Nippon's proposed purchase of US Steel would destabilize the trade enforcement system – and in the process threaten US industry, workers and national security. [READ MORE](#)

[Philadelphia Shipyard Sold to Korean Firm](#)

After 20 years of lackluster results building commercial vessels for Jones Act trade, Norwegian investment group Aker ASA is selling its Philadelphia shipbuilding operations to Korea's Hanwa Group for \$100 million.

Philly Shipyard supplies around 50% of the largest U.S. commercial vessels, including tankers and container ships. In addition, Philly Shipyard constructs training vessels for the U.S. Maritime Administration (MARAD). [READ MORE](#)

[Blinken Promotes Foreign Investment in US](#)

Secretary of State Antony Blinken urged foreign investors to take advantage of the Administration's domestic investments in areas like semiconductors and clean energy technology that are making the United States an ever more attractive investment destination.

Mr. Blinken pointed to the newly-established Economic Diplomacy Action Group, that is tasked with boosting US competitiveness and attracting increased foreign investment. [READ MORE](#)

[FinCEN Updates AML Rules](#)

The Treasury Department's Financial Crimes Enforcement Network (FinCEN) announced a proposed rule to strengthen and modernize financial institutions' anti-money laundering and countering the financing of terrorism (AML/CFT) programs.

While financial institutions have long maintained AML/CFT programs under existing regulations, Friday's proposed rule would amend those regulations to explicitly require that such programs be effective, risk-based, and reasonably designed, enabling financial institutions to focus their resources and attention in a manner consistent with their risk profiles. [READ MORE](#)

[FATF Singapore Plenary](#)

Friday, the Financial Action Task Force (FATF), the global standard-setting body for anti-money laundering and countering the financing of terrorism and proliferation (AML/CFT/CPF), concluded its sixth and final Plenary under the Singaporean Presidency.

During the Plenary, the FATF took several key actions, including adopting the Mutual Evaluation Reports (MERs) for India and Kuwait, agreeing to publish a report on non-financial gatekeeper facilitation of corruption, and discussing the priorities of the incoming Mexican FATF Presidency. [READ MORE](#)

[Exim Funds Oregon Battery Plant](#)

The Board of Directors of the Export-Import Bank of the United States (EXIM) approved a \$50 million financing package to small business ESS Inc. under the Make More in America (MMIA) Initiative to finance the construction of several new long-duration battery storage production lines at ESS Tech's Wilsonville, Oregon facility. [READ MORE](#)

[Exim Hamstrung by Credit Standards Says Exim Chief](#)

The US Export-Import Bank is "laser focused" on the challenges posed by China, but needs Congress to remove some of its lending restraints so that it can compete against Beijing, Bank Chair and President Reta Jo Lewis told lawmakers Thursday.

The Bank's China and Transformational Exports Program and Make More in America Initiative are helping, but "we can and should do more," she told a House Financial Services subcommittee. [READ MORE](#)

SANCTIONS

[Treasury Targets Iran Defense Trade Finance](#)

Treasury's Office of Foreign Assets Control (OFAC) Tuesday sanctioned nearly 50 entities and individuals that constitute multiple branches of a sprawling "shadow banking" network used by Iran's Ministry of Defense and Armed Forces Logistics (MODAFL) and Islamic Revolutionary Guard Corps (IRGC)

The entities, including cover companies based in Hong Kong, the United Arab Emirates (UAE), and the Marshall Islands have been used to gain illicit access to the international financial system and process the equivalent of billions of dollars since 2020. [READ MORE](#)

[State Sanctions UAE Shippers for Iran Trade](#)

In response to continued development of Tehran's nuclear capabilities, Secretary of State Anthony Blinken announced additional measures against Iranian petrochemical transport and trade.

"Over the past month, Iran has announced steps to further expand its nuclear program in ways that have no credible peaceful purpose," said Mr. Blinken. "We remain committed to never letting Iran obtain a nuclear weapon, and we are prepared to use all elements of national power to ensure that outcome." [READ MORE](#)

ENFORCEMENT

[Ricin Carrying Fruit Fly Exports Trip Indiana University](#)

Unlicensed exports of fruit flies genetically modified to produce a subunit of a controlled toxin drew Indiana University a penalty from the Commerce Department.

As part of a settlement agreement, the Department of Commerce's Bureau of Industry and Security (BIS) issued an order imposing an administrative penalty on Indiana University (IU) related to exports by IU's Bloomington Drosophila Stock Center (BDSC). [READ MORE](#)

[PetroChina Fined \\$14.5 Million for US Export Scheme](#)

PetroChina International America Inc. (PCIA) has entered into an agreement to pay a fine and monetary forfeiture totaling \$14.5 million for violations of U.S. export law, including cargos misclassified and/or undervalued at the time of export and then entered into AES. [READ MORE](#)

[Milwaukee Tool Sued for Prison Labor](#)

Milwaukee Tool faces allegations of utilizing forced labor in a Chinese prison factory to manufacture work gloves, where workers endured harsh conditions, including beatings and torture.

The lawsuit, filed on Thursday in the U.S. District Court in Milwaukee, asserts that the company either knew or should have known that the gloves were produced through forced labor, contravening the U.S. Trafficking Victim Protection Act. [READ MORE](#)

[Treasury Fines Italian Studio for DPRK Transactions](#)

Treasury's Office of Foreign Assets Control (OFAC) today announced a \$538,000 settlement with Mondo TV, S.p.a. an Italian animation company for 18 apparent violations of the North Korea Sanctions Regulations.

Between May 2019 and November 2021, Mondo remitted approximately \$537,939 to a Government of North Korea-owned studio in payment for outsourced animation work. In doing so, Mondo caused U.S. financial

institutions to process wire transfers that contained the blocked property interests of the Government of North Korea and to export financial services to North Korea. [READ MORE](#)

SUPPLY CHAIN

[Amazon Plans to Further Exploit de Minimis Loophole](#)

While Fulfilled by Amazon merchants have long taken advantage of the duty-free treatment of small shipments, Amazon's own merchandise sales have customarily involved the payment of tax and duty, creating an opening for the Chinese e-tailers Shein and Temu.

Not for long. Wednesday, Amazon announced a new channel for its platform which will sell consumer goods and clothing directly from China to US customers. Eliminating the US warehousing nexus puts the Seattle-based merchant on equal footing with its Chinese rivals, in terms of landed cost. [READ MORE](#)

[Sen. Brown Calls Out Mexican Steel Surge](#)

Wednesday Sen. Sherrod Brown (D-OH), United Steelworkers leadership and Cleveland Cliffs leadership called on the administration to act to stop the surge in Mexican steel imports, which has been attributed to the Chinese government routing steel through Mexico to avoid U.S. tariffs.

"The Mexican government is currently violating a 2019 agreement with the U.S. and threatening steelworkers in Ohio and around the country," according to a statement. [READ MORE](#)