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[APEP Eyes Semiconductor Production](#)

Participants in the US-led Americas Partnership for Economic Prosperity have agreed on a new initiative aimed at boosting semiconductor production in the region.

The Western Hemisphere Semiconductor Initiative will “turbocharge” countries’ capacity to assemble, to test and to package semiconductors, beginning with Mexico, Panama and Costa Rica,” Secretary of State Antony Blinken said at a meeting of APEP foreign ministers that concluded yesterday.

The United States will hold a symposium in Mexico this September to identify ways that the region can play a larger role in the global supply chain for semiconductors. [READ MORE](#)

[GOP Platform on Trade](#)

Stating “We will be a nation of Truth, Justice, and Common Sense,” the Republican party platform adopted by the Milwaukee Convention goes beyond calls to “deport the millions of illegal Migrants who Joe Biden has deliberately encouraged to invade our Country,” and “DRILL, BABY, DRILL,” with specific policy recommendations for industry and trade. [READ MORE](#)

[Standards Export Control Rule Published](#)

The long-awaited Standards Rule has been published by the Commerce Department, revising Export Administration Regulations to facilitate US industry participation in international standards setting bodies.

In this rule, the Bureau of Industry and Security (BIS) amends the Export Administration Regulations (EAR) to revise the scope and the terms used in the EAR to describe “standards-related activities” that are subject to the EAR. As we reported last month [12385] lack of clear guidance from Commerce has chilled some companies’ participation for fear of running afoul of export controls. [READ MORE](#)

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www.wttlonline.com

Editor: Frank Ruffing +1.703.283.5220. fruffing@traderegs.com

POLICY & POLITICS OF TRADE

[China Ices Nuclear Arms Talks on Taipei Arms Sales](#)

In his weekly news conference, **Foreign Ministry Spokesperson Lin Jian** reiterated China's refusal to engage in nuclear nonproliferation discussions in light of arms sales to Taipei. "This has seriously compromised the political atmosphere for continuing the arms control consultations. Consequently, the Chinese side has decided to hold off discussion with the US on a new round of consultations on arms control and non-proliferation," he stated. [READ MORE](#)

[Industry groups call for action on trade](#)

Leading U.S. industry organizations have called for a strategic meeting with the Biden Administration to discuss enhancements to U.S. trade policy. The letter, addressed to Jacob Sullivan, Assistant to the President for National Security Affairs, and Dr. Lael Brainard, Assistant to the President for Economic Policy, was signed by a diverse coalition representing sectors including agriculture, automotive, aerospace, chemicals, technology, and healthcare.

The signatories expressed support for the Administration's aim to incorporate the interests of all Americans into trade policy but warned that rising trade barriers currently threaten the livelihoods of many sectors reliant on two-way trade. [READ MORE](#)

[G7 Vows Action on NME Practices, Export Controls](#)

While not directly naming China, G7 trade ministers pledged Thursday to use their trade tools when needed to counter trade-distorting trade practices.

"We will continue to tackle non-market policies and practices, as well as harmful non-market excess capacity and other market distortions resulting from them," G7 trade ministers said in a joint statement wrapping up their two-day meeting in Italy.

The ministers' statement emphasized a commitment to the role of, and reform of the World Trade Organization, as well as placed a particular emphasis on Export Control & Investment Screening [READ MORE](#)

[USTR Digital Trade Chief Bolts to Chips Lobby](#)

Carrie Esko, director for ICT services and digital trade at the Office of the U.S. Trade Representative (USTR), has left to join the Semiconductor Industry Association as director of global policy for trade and supply chain matters.

At the USTR, Esko led digital trade negotiations within bilateral and regional trade initiatives. She also served in other roles at USTR, including director for APEC affairs, and director for industrial goods, where she worked on trade policy and negotiations involving critical minerals, metals, and related sectors with partner governments

WTO & GENEVA

Chad, EU Push to Speed DG Process

Several major industrialized countries, including the European Union, seem to be preparing the ground to support the request from the coordinator of the African Group to speed up the reelection process for incumbent World Trade Organization Director-General Ngozi Okonjo-Iweala out of concern that former President Trump could return to the White House next year. Mr. Trump's administration opposed Ms. Okonjo-Iweala's candidacy and overall took a dim view of the value of the WTO.

Several trade envoys alleged that the DG has played a role in exerting pressure on Chad and a few other countries to go ahead with their communication while being aware that it has no consensus within the African group. [READ MORE](#)

The WTO and a second Trump Administration

In an opinion piece published by his current employer Akin Gump, former WTO trade official Alan Yanovich considers the forum's prospects under a return of Trump Administration policies. Despite formidable challenges, Yanovich contends the institution has a shot at survival.

"The best-case scenario that can be expected from a second Trump administration is benign neglect and even that is not the only plausible scenario," he writes. With no leverage or traction in trade relations with the U.S., supporters of the body will continue to rely on the WTO for purposes beyond dealing with Washington. [READ MORE](#)

US Blasts China at WTO

The United States blasted China's "predatory" trade practices yesterday as the World Trade Organization launched its ninth trade policy review of Beijing.

China has not lived up to the commitments it made in joining the WTO in 2001 and the challenges have gotten worse, US Deputy Representative to the WTO David Brisbee stated. [READ MORE](#)

Battle Lines over Fisheries Negotiations

Battle lines are being drawn in the World Trade Organization's Doha fisheries subsidies negotiations as members take sides over the draft text on subsidies contributing to overcapacity and overfishing prepared by the negotiations chair, according to people familiar with the developments.

At the Doha trade negotiations committee meeting last week, Chair Ambassador Einar Gunnarsson of Iceland made it known that the draft disciplines, including the alleged "free pass" given to big subsidizers engaged in distant water fishing with easily circumvented notification requirements, will remain unchanged, said people familiar with the discussions. [READ MORE](#)

[Decision Making Review Report](#)

The GC chair has issued a report on what transpired at the one-day retreat he convened last week primarily to discuss the decision-making processes at the WTO. In his report, the chair says that he “detected a collective desire to enhance decision-making. processes in Geneva, build and restore trust, uphold consensus decision making in a manner that delivers results and ensure the WTO remains fit for purpose.”

The report makes several suggestions, including on the “consensus: understanding and implementation”, “transparency” and “improving the consensus mechanisms”. The report says “the concept of consensus was discussed extensively, with a focus on distinguishing it from unanimity” and “consensus should not be (mis)used as a tool for vetoing but rather as a means to build convergence and foster genuine agreement.” [READ MORE](#) across Asia and globally. [READ MORE](#)

SUPPLY CHAINS

[Guacamole Labor Spat Resolved](#)

The United States and Mexico announced the successful a course of remediation to address denials of rights at the RV Fresh Foods facility, which produces guacamole in the state of Michoacán.

This case is the first time the United States has used the mechanism in the food manufacturing sector. It is also the first time both the United States and Mexico have identified violations related to the conduct of the petitioning union. [READ MORE](#)

[EXIM Angola Project Approved](#)

The US Export-Import Bank announced yesterday approval of a \$1.6 billion direct loan to support the construction of Omatapalo, Inc an Angolan construction firm will lead the construction of 65 solar mini grids with energy storage facilities, and the expansion of existing electrical grid distribution networks to power water collection, treatment and purification systems in four southern provinces in Angola. [READ MORE](#)

[USITC Continues Vanillin and Refrigerator Investigations](#)

The United States International Trade Commission (USITC) determined that there is a reasonable indication that a U.S. industry is materially injured by reason of imports of vanillin from China that are allegedly sold in the United States at less than fair value and subsidized by the governments of China. The USITC also determined that there is a reasonable indication that a U.S. industry is materially injured by reason of imports of large top-mount combination refrigerator-freezers from Thailand that are allegedly sold in the United States at less than fair value. [READ MORE](#)

[OECD Report on State Enterprises in Global Aluminum Market](#)

The aluminum associations of the United States, Europe, Canada and Japan released a joint statement this week welcoming a new report by the Organisation for Economic Cooperation and Development (OECD), quantifying the role of state enterprises in industrial subsidies.

The report finds that industrial subsidies like below-market finance tend to increase with the extent of state ownership, distorting global aluminum and other markets. [READ MORE](#)

EXPORT CONTROLS

[Hill Calls for Stricter Firearms Export Rules](#)

Sen. Elizabeth Warren (D-Mass) and Rep. Joaquin Castro (D-Texas) are calling on the Commerce Department to beef up its new rule on firearms license requirements in order to prevent US weapons exports from contributing to violence and killings across the globe.

The lawmakers are responding to an interim final rule issued in April by Commerce's Bureau of Industry and Security, which strengthened Commerce's exports licensing requirements and regulations. But there are still critical weaknesses to the rule, the lawmakers said in a letter to Commerce Secretary Gina Raimondo. [READ MORE](#)

[Alabama Man Guilty in Iran Flow Control Scheme](#)

Alabama man Ray Hunt , pleaded guilty to conspiracy to export U.S.-origin goods to the Islamic Republic of Iran in violation of trade sanctions.

Hunt, a naturalized US Citizen also known as Abdolrahman Hantoosh, is alleged to have conspired to export U.S.-origin parts used in the oil and gas industry, including control valves and oil tubing, through his Alabama-based company, Vega Tools LLC, to customers in Iran. The scheme transshipped the goods to Iran through Turkey and the UAE to evade U.S. sanctions. [READ MORE](#)

[Info tech and comms services \(ICTS\) at Commerce moved to BIS.](#)

The Commerce Department has published a Final Rule redesignating regulations governing the review of certain transactions involving information and communications technology and services (ICTS) from the Secretary of Commerce to the Bureau of Industry and Security (BIS), Office of Information and Communications Technology and Services (OICTS).

The rule is intended to cover ICTS designed, developed, manufactured, or supplied by persons owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary and which pose or may pose undue or unacceptable risks to the United States or U.S. persons.) ... [READ MORE](#)

OFAC & SANCTIONS

[PRC Sanctions US Defense Firms / Executives](#)

The Ministry of Foreign Affairs of the People's Republic imposed sanctions on six US defense contractors, along with five executives in retaliation for sales to Taipei. Sanctioned firms included Anduril Industries, Maritime Tactical Systems, Pacific Rim Defense, AEVEX Aerospace, LKD Aerospace, and Summit Technologies Inc. The Executives named were from unmanned systems developers Anduril and AeroVironment.. [READ MORE](#)

[Updates to OFAC Licensing Portal Application Status and Hotline](#)

The Department of the Treasury's Office of Foreign Assets Control (OFAC) is providing more detailed updates regarding the status of their applications via the public [Licensing Portal](#). Applicants will now receive one of ten following case statuses to better indicate where their application is in the processing timeline. ... [READ MORE](#)

[More Houthi Sanctions](#)

The Treasury Department said yesterday it is targeting and designating as blocked property a dozen persons and vessels, that have played a critical role in financing the Houthis' destabilizing regional activities as part of the network of Sa'id al-Jamal.

The action includes Indonesia-based Malaysian and Singaporean national Mohammad Roslan Bin Ahmad and People's Republic of China-based Chinese national Zhuang Liang, who have facilitated illicit shipments and engaged in money laundering for the network. [READ MORE](#)