

Washington Tariff & Trade Letter

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TRADE POLITICS

[De Minimis Reform Legislation Draws Support](#)

Senate Finance Committee Chairman Ron Wyden (D-Ore) has introduced much-anticipated bipartisan legislation to tighten imports requirements for low-value packages in order to close the so-called de minimis loophole.

The bill would prohibit the use of the \$800 de minimis threshold to import certain types of goods, including goods that are import-sensitive or subject to additional trade remedies. [READ MORE](#)

[State Legislatures Take On ISDS](#)

Over 300 state lawmakers are calling on the Administration to remove investor-state dispute settlement for all US trade and investment agreements.

In a letter to President Biden and US Trade Representative Katherine Tai, the state representatives called ISDS “a secretive arbitration system that allows foreign corporations to challenge state laws, local land use ordinances, and even court decisions that impact their vaguely defined investor rights.” [READ MORE](#)

[Walz Toes Democratic Line on Trade](#)

Kamala Harris’ pick of Minnesota Gov. Tim Walz as her running mate gives her a partner with similar views on trade – views that have been held by a majority of Congressional Democrats. [READ MORE](#)

[Foreign Affairs CoDel to Australia & Philippines](#)

House Foreign Affairs Committee Chairman Michael McCaul will be leading a bipartisan congressional delegation (CODEL) to the Philippines and Australia. The delegation includes House Foreign Affairs ... [READ MORE](#)

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[Bipartisan Amicus Filed in TikTok Case](#)

A bipartisan group of colleagues filed an amicus brief in TikTok, et al. v. Garland. The brief defends the constitutionality of the Protecting Americans from Foreign Adversary Controlled Applications Act, which addresses the national security threat posed by Chinese ownership of TikTok, against TikTok's legal challenges that claim the bill is unconstitutional. [READ MORE](#)

TRADE POLICY

[USDA Boosts Promotion Funding \\$300 Million](#)

The Agriculture Department said yesterday it will make an additional \$300 million available through the Regional Agricultural Promotion Program to help grow export markets for US farm and food ... [READ MORE](#)

[June Trade Deficit Down](#)

The US trade deficit fell to \$73.1 billion in June, down \$1.9 billion from \$75 billion in May, the Commerce Department reported Tuesday.

The June decrease in the goods and services deficit reflected a decrease in the goods deficit of \$2.5 billion to \$97.4 billion and a decrease in the services surplus of \$600 million to \$24.2 billion. [READ MORE](#)

[November Trade Mission to Philippines & Indonesia](#)

Trade Mission to the Philippines and Indonesia

The Mission aims to foster collaboration and knowledge exchange between mission delegates and local stakeholders in smart city development and digital ecosystems. The mission will provide delegates with a comprehensive understanding of the "tech" markets in the Philippines and Indonesia, fostering collaboration, innovation, and sustainable development opportunities. [READ MORE](#)

[US Kenya Trade Partnership Meeting Readout](#)

The United States and Kenya held a productive negotiating round under the U.S.-Kenya Strategic Trade and Investment Partnership in Nairobi, Kenya from August 5-9. During the round, the United States and Kenya primarily exchanged views on the texts that concern agriculture; customs, trade facilitation, and enforcement; environment; good regulatory practices; inclusivity; and workers' rights and protections [READ MORE](#)

EXPORT CONTROLS

[Post-Quantum Cryptography Guidance Next Week](#)

Next week NIST will publish updated cryptography standards allowing for advances in quantum computing that stand to render most security measures permeable. Reporting by FCW indicates the long-awaited guidance will be published, reflecting algorithmic encryption models designed to be uncrackable. [READ MORE](#)

[FRB Study Shows Costs of Export Controls](#)

Amid the current U.S.-China technological race, the U.S. has imposed export controls to deny China access to strategic technologies. We document that these measures prompted a broad-based decoupling ... [READ MORE](#)

[BIS Training in Cambridge, MA Sept 3 & 4](#)

This two-day program is led by the U.S. Department of Commerce Bureau of Industry and Security's (BIS) professional counseling staff and provides an in-depth examination of the Export Administration Regulations (EAR). The program will cover the information exporters need to know to comply with U.S. export control requirements under these regulations. [READ MORE](#)

[Outbound Investment Order Extended 1 Year](#)

The White House extended for 12 months Executive Order 14105 of August 9, 2023, "Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern" (the Outbound Order). The Order identifies three categories of national security technologies and products to be restricted in US investment in China and her territories. [READ MORE](#)

TREASURY / OFAC SANCTIONS

[More Belarus Sanctions Announced](#)

Friday, Treasury's Office of Foreign Assets Control (OFAC) is taking action against 19 individuals, 14 entities, and one aircraft pursuant to Belarus-related Executive Order (E.O.) 14038. ... [READ MORE](#)

[More Paraguay Tobacco Sanctions](#)

OFAC designated Paraguayan tobacco company Tabacalera del Este S.A. (Tabesa) August 6, 2024, for providing financial support to Paraguay's former president, Horacio Manuel Cartes Jara (Cartes), who OFAC sanctioned on January 26, 2023 for his involvement in corruption.

OFAC previously identified Tabesa on OFAC's Specially Designated Nationals and Blocked Persons (SDN) List as an entity in which Cartes owned, directly or indirectly, a 50 percent or greater interest. [READ MORE](#)

[FinCEN PSA Campaign for Beneficial Ownership Rule](#)

Treasury Department's Financial Crimes Enforcement Network (FinCEN) announced the launch of a public service announcement (PSA) campaign as part of its ongoing efforts to educate the small business community about new beneficial ownership reporting requirements.

To directly reach business owners, educate stakeholders about these reporting requirements, and encourage compliance, television and radio PSAs are now running nationwide in tandem with digital and print ads. [READ MORE](#)

ENFORCEMENT

[Nepal Bribery Snares Aircraft Service Exec](#)

Illinois aviation services provider AAR appears close to resolving bribery allegations involving the sale of used Airbus A330s at inflated prices to the Nepal Airlines, the flag carrier of Nepal. A July 19 plea deal reached by Deepak Sharma, former President of International Supply Chain for AAR was unsealed in the District of Columbia. Sentencing is forthcoming.

On April 4, Nepal's anti-graft body completed its five-year probe into the \$209.6-million Airbus deal, the largest ever in Nepal's aviation history. The body concluded that Nepal Airlines' procurement of two wide-body jets caused the government a loss of \$13.38 million. The case has implicated 32 individuals. [READ MORE](#)

[Bogus University Lab Export Scheme Conviction](#)

A Taiwanese national was sentenced August 2nd to three years and eight months in prison, followed by three years of supervised release, for conspiracy to commit wire fraud in association with a ... [READ MORE](#)

[Voting Machine Executives Charged in Philippine Bribes](#)

Three executives of the Smartmatic voting machine company and the former Chairman of the Philippine Commission on Elections were indicted Thursday for their roles in a bribery and money laundering scheme to retain and obtain business related to the 2016 Philippine elections. [READ MORE](#)

[Nashville Arrest in DPRK Telemarketing Ruse](#)

A Tennessee man was arrested Thursday for his efforts to generate revenue for the Democratic People's Republic of Korea's (DPRK or North Korea) illicit weapons program, which includes weapons of mass destruction (WMD).

According to court documents, Knoot participated in a scheme to obtain remote employment with American and British companies for foreign information technology (IT) workers, who were actually North Korean actors. [READ MORE](#)

[Minister Convicted in Tuna Bond Case](#)

A federal jury in Brooklyn, New York, convicted the former Finance Minister of Mozambique for his role in a \$2 billion fraud, bribery, and money laundering scheme that victimized investors in the United States and elsewhere.

According to court documents and evidence presented at trial, Manuel Chang, 68, of Mozambique, received \$7 million in bribes in exchange for signing guarantees on behalf of the Republic of Mozambique to secure funding for three loans for maritime projects. [READ MORE](#)

[Chicago Man Guilty Exporting Firearm Parts](#)

A suburban Chicago man has pleaded guilty to federal export-control charges for illegally shipping firearm parts to Israel. The parts included rifle barrels, gas blocks for rifles, and bolt carrier groups. Betuni put false information on the shipping labels and concealed the firearm parts in packages containing auto parts or George Foreman grills. [READ MORE](#)

SUPPLY CHAIN

[DHS Adds Five Companies to Forced Labor List](#)

Continuing its efforts to highlight what it labels "ongoing genocide and crimes against humanity" against Uyghurs and other religious and ethnic minority groups in the Uyghur Region of Western China, The US Department of Homeland Security announced the addition of five Chinese entities to the Uyghur Forced Labor Prevention Act (UFLPA) Entity List, bringing the total entities listed to 73.

Effective August 9, 2024, U.S. Customs and Border Protection (CBP) will apply a rebuttable presumption that goods produced by the five firms, a copper miner, a construction engineering firm, and three magnesium-related concerns, will be prohibited from entering the United States. [READ MORE](#)

[China Distorting Legacy Chip Market](#)

Commerce Secretary Gina Raimondo is raising concerns that China is distorting the market for mature node semiconductors by overproducing the chips. She told investors at a roundtable discussion that China's non-market actions are preventing US companies and those in US ally countries, from competing on a level playing field. To combat China's practices, Ms. Raimondo said the Administration will continue to impose targeted tariffs on semiconductors imported from China. [READ MORE](#)

[Herbicide Tariffs Draw Fire from Hill](#)

Slapping tariffs on imports of a key ingredient in herbicides could have unintended consequences for US farmers, according to a group of Congressional lawmakers.

In a letter to Commerce Secretary Gina Raimondo, the lawmakers urged the department to weigh carefully the potential impact of antidumping and countervailing duty tariffs on imports of 2,4-D from China and India. [READ MORE](#)

[Exim Funding Iraq Power Upgrades](#)

Export-Import Bank of the United States ("EXIM") has received an application for final commitment for a long-term loan or financial guarantee in excess of \$100 million to continue the refurbishment of Iraq's power generation capacity. [READ MORE](#)