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## **BIS Justifies Renewal of Foreign Policy Controls**

The Bureau of Industry and Security (BIS) continued to disregard the negative impact of unilateral export controls on U.S. industry and foreign availability from uncontrolled sources in its recently released 2013 annual report on foreign policy-based export controls. BIS “extends with this report all foreign policy export controls described in this report for the period from January 21, 2013, to January 20, 2014,” the report declares.

The report provides a snapshot review of all export controls and statistics on export licensing activity in fiscal year 2012, which ended Sept. 30, 2012. “The Secretary has determined that any adverse effect of these controls on the economy of the United States, including on the competitive position of the United States in the international economy, does not exceed the benefit to U.S. foreign policy objectives,” the report repeats in almost each section.

It admits, however, some adverse impact from Regional Stability controls on thermal-imaging products. “Although the Secretary has determined that the adverse effect of these controls on the economy of the United States, including on the competitive position of the United States in the international economy, does not exceed the benefit to U.S. foreign policy objectives, the controls on cameras controlled by ECCN 6A003, which exceed the controls on similar products imposed by other producing countries, have significantly and adversely affected the competitiveness of this industry sector,” BIS said.

The report highlights the agency’s activities in enforcing encryption controls. During fiscal 2012, BIS received encryption registrations from 1,273 companies. It processed 1,332 classification requests for controlled encryption products. Of these requests, 325 were for mass-market encryption items. BIS approved 1,920 license applications for encryption-related deemed exports and “restricted” encryption items, such as high-end routers and other network infrastructure equipment, and technology, the agency reported.

## **Customs Plans Revisions to Rules for Foreign Trade Zones**

Customs and Border Protection (CBP) plans to implement extensive changes to the rules and policies imposed on Foreign Trade Zones (FTZ) to reduce redundancy and move

toward full automation of reporting and messaging requirements, David Murphy, CBP acting deputy assistant commissioner, told the National Association of Foreign Trade Zones (NAFTZ) Feb. 12. Customs staff are now in the process of reviewing current FTZ rules in Section 146 of Title 19 of the Code of Federal Regulations and intend to publish a proposal to update the requirements, he said. Customs also has decided to eliminate blanket Customs Form 216, which is used for permits for zone activities. "The blanket 216 is redundant and unnecessary in today's automated environment," Murphy said. The form will not be required for manufacturing, manipulation and some exhibition activities. "The 216 will only be required for destruction and temporary removals to include exhibitions off property," he noted.

The agency also intends to make Form e214 mandatory as part of its move toward implementation of its Automated Commercial Environment (ACE) when it revises its FTZ regulations. "CBP has developed a planned approach that will enable us to complete all remaining core trade functionality in ACE within an estimated three years," Murphy told the NAFTZ.

In addition, CBP staff are nearly finished drafting the final version of changes it proposed in 2012 to its regulation for in-bond imports and will send the draft to Treasury and the Department of Homeland Security for review. The final rule will require all in-bond notices to be filed electronically, Murphy noted. Customs has also launched an automated system for the filing of background information on key FTZ employees, directors and officers and CBP vetting of those persons. Instructions for implementing the Global Enrollment System (GES) were sent to port directors in November. Customs staff stress that not all employees in a zone need to be vetted.

The new deadline for implementing ACE comes after a dozen years of delays and missteps that have prevented its full adoption. To complete the transfer to ACE, Customs set up a new management system to focus on specific areas of regulation and procedures with special teams and focused deadlines, according to Cynthia Whittenburg, director of business transformation in the ACE business office.

The new goal is to have all core cargo processing data handled through ACE in three years and a quarter, she told the NAFTZ. Eventually, all import and export forms, licenses and requirements will be compatible with the ACE "single window" system, she said. One of the first transfers, which might happen by the end of 2013, is the transfer of the Automated Export System (AES) to ACE platform. According to Census sources, this change will not affect user interface with AES.

## **Congress Faces Heavy Trade Legislation Agenda**

As lawmakers return to Washington for the start of the 113<sup>th</sup> Congress, they face a heavy trade agenda, with many issues left over from previous years. At the top of the "to do" list is completing work on a Miscellaneous Tariff Bill (MTB). House Ways and Means Committee Chairman Dave Camp (R-Mich.) and Ranking Member Sander Levin (D-Mich.) introduced an MTB measure (H.R. 6727) Jan. 1 at the end of the 112<sup>th</sup> Congress, but too late for congressional action (see **WTTL**, Jan. 7, page 8). Both Ways and Means and Senate Finance committees are working to move an MTB early this year. Also near the top of the list is a Customs Reauthorization bill. In December, Ways and Means Republicans and Democrats introduced conflicting Customs bills that members are

now trying to reconcile. One of the major differences between the GOP measure (H.R. 6652) and the Democrat bill (H.R. 6656) is in provisions addressing the enforcement of sanctions against importers that fail to pay antidumping and countervailing duties or circumvent payments. A new Senate version is expected to be introduced soon by Finance Committee Chairman Max Baucus (D-Mont.).

Attention also has increased on the need to renew the president's fast-track negotiating authority, also known as Trade Promotion Authority (TPA). With the announced plans to launch trade talks with the EU and the continuing talks on a Trans-Pacific Partnership deal, fast-track authority will be needed to bring those negotiations to a conclusion. Congressional Republicans have complained that Obama officials have not talked to them about what the administration would want in a fast-track bill.

Based on previous fights over fast-track legislation, enactment of a new negotiating authority could be held up over what Congress should include in its instructions on what trade pacts must cover. Democrats and Republicans are expected to split over provisions dealing with labor, environment, intellectual property rights and state-investor dispute-settlement mechanisms.

Also on the agenda is renewal of the Generalized System of Preferences and the Andean Trade Preferences Act. Another partisan fight could erupt when Trade Adjustment Assistance comes up for renewal at the end of 2013. Both Ways and Means and Finance are expected to hold oversight hearings on various trade issues, including ongoing WTO talks on services, information technology and trade facilitation. Finance members also will have a chance to express their views on trade when the committee holds confirmation hearings on the candidate to replace Ron Kirk as USTR.

## **Obama Launches Transatlantic Trade Talks with EU**

It may take several months before the U.S. and European Union (EU) can begin formal negotiations on a transatlantic trade and investment agreement, U.S. Trade Representative (USTR) Ron Kirk and White House Deputy National Security Advisor Michael Froman indicated in a conference call with reporters Feb. 13, the day after President Obama announced his intent to launch talks with the EU during his State of the Union address to Congress. Formal talks won't be able to begin until both the U.S. and EU complete formal procedures, including the president's advance 90-day notification to Congress, that are required to undertake negotiations (see **WTTL**, Feb. 11, page 1).

"Tonight, I am announcing that we will launch talks on a comprehensive Transatlantic Trade and Investment Partnership with the European Union – because trade that is free and fair across the Atlantic supports millions of good-paying American jobs," Obama said in his address. "To boost American exports, support American jobs and level the playing field in the growing markets of Asia, we intend to complete negotiations on a Trans-Pacific Partnership," he also said.

Kirk said a decision on when to send Congress formal notice on the coming talks would be made over the next several weeks, but it will be sent "reasonably soon." He said the

president's announcement was based on the recommendations in a U.S.-EU High Level Working Group on Jobs and Growth (HLWG) report, which was dated Feb. 11 but not released until Feb. 13 (see related story below). Kirk said a U.S.-EU pact won't be a traditional free trade agreement, but he also acknowledged past transatlantic disputes. "It is so much broader than trade... but it's an opportunity for us to address in a comprehensive way a number of areas that sort of frustrate this relationship."

Froman, assistant to the President and deputy national security adviser for international economics, agreed. "The reasons we haven't had a trade agreement between ourselves in the last several decades isn't because nobody ever thought of it, it's because there have always been issues that have tripped us up," he noted. "The stars could well be aligned given developments on both sides of the Atlantic for us to be able to resolve issues that have been difficult to resolve before," Froman added.

"A high-standard Transatlantic Trade and Investment Partnership would advance trade and investment liberalization and address regulatory and other non-tariff barriers," said a joint statement from Obama, European Council President Herman Van Rompuy and European Commission President José Manuel Barroso. "Through this negotiation, the United States and the European Union will have the opportunity not only to expand trade and investment across the Atlantic, but also to contribute to the development of global rules that can strengthen the multilateral trading system," they said.

Before Obama's announcement, the European Council of Ministers Feb. 8 gave its endorsement to the results of the HLWG report and transatlantic talks. "The European Council calls upon the Commission and the Council to follow up on these recommendations without delay during the current Presidency. It reiterates its support for a comprehensive trade agreement which should pay particular attention to ways to achieve greater transatlantic regulatory convergence," a council statement declared.

## **Report Urges Comprehensive U.S.-EU Trade Pact**

President Obama's backing for an EU trade deal was based on the recommendations in the final report of the U.S.-EU High Level Working Group on Jobs and Growth (HLWG), which was dated Feb. 11 but not released until Feb. 13. The report outlined three broad areas any deal should address: (1) market access, including tariffs, services, investment and procurement; (2) regulatory issues and non-tariff barriers; and (3) rules, principles and new modes of cooperation to address shared global trade challenges and opportunities, which includes intellectual property rights (IPR), labor and the environment.

In its report, the HLWG said "a comprehensive agreement that addresses a broad range of bilateral trade and investment issues, including regulatory issues, and contributes to the development of global rules, would provide the most significant mutual benefit of the various options we have considered. We therefore recommend to Leaders that each side initiate as soon as possible the formal domestic procedures necessary to launch negotiations on a comprehensive trade and investment agreement."

Such an agreement "would include ambitious reciprocal market opening in goods, services, and investment, and would address the challenges and opportunities of

modernizing trade rules and enhancing the compatibility of regulatory regimes,” it said. “An agreement of this kind could generate new business and employment by significantly expanding trade and investment opportunities in both economies; pioneer rules and disciplines that address challenges to global trade and investment that have grown in importance in recent years; and further strengthen the extraordinarily close strategic partnership between the United States and Europe,” it noted.

Any potential agreement “would need to break ground to create additional bilateral market openings and establish new trade rules that are globally relevant. Such an agreement should be designed to evolve over time – i.e., substantially eliminate existing barriers to trade and investment, while establishing mechanisms that enable a further deepening of economic integration, particularly with respect to the promotion of more compatible approaches to current and future regulation and standard-setting and other means of reducing non-tariff barriers to trade,” the report said.

### **Baucus, Hatch Outline Their Demands for U.S.-EU FTA**

Ahead of the State of the Union, Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Orrin Hatch (R-Utah) sent USTR Ron Kirk a joint letter putting down a marker on what their committee will expect from any U.S.-EU free trade agreement (FTA). The insistence of the two lawmakers on strong provisions on agriculture, intellectual property protection and regulatory compliance puts pressure on negotiators to reach an agreement that will pass congressional muster. “A high-standard, comprehensive, U.S.-EU FTA could serve to reinvigorate the global trade agenda, setting the standard for all FTAs to follow,” they wrote; saying their letter “provides useful guidance as you negotiate the path forward.”

“Broad bipartisan Congressional support for expanding trade with the EU depends, in large part, on lowering trade barriers for American agricultural products,” they wrote. The two lawmakers noted past disputes with the EU over genetically engineered crops, hormones in cattle, and restrictions on pathogen reduction treatments in poultry, pork and beef. “We urge you to resolve these and other unwarranted agricultural barriers as part of the FTA negotiations on both an individual and a systemic basis,” they wrote.

They also want the deal to include strong intellectual property protection provisions and a dispute-settlement mechanism. “Of course, it is vital that there be a mechanism to settle any disputes which may arise under a U.S.-EU FTA. In order to be more than a paper tiger, any such dispute mechanism must contain strong and binding enforcement provisions,” they told Kirk. One of the most important parts of any deal will be how it handles differences in regulatory requirements in the two markets.

“Regulatory compliance is an enormous driver of cost and inefficiency for U.S. exporters of goods and services across the globe. There would no doubt be enormous benefits to be gained from increased regulatory harmonization between the U.S. and the EU, especially as both have highly developed regulatory systems in place,” they wrote. “However, any efforts towards these ends must not weaken regulatory commitments, such as through adoption of the so-called precautionary principle,” their letter stated.

## U.S.-EU Trade Talks Face Hurdles over Regulatory Issues

As the initial cheering stops for the launch of U.S.-EU FTA talks, the reality of past failures to reduce transatlantic trade barriers will set in quickly. While the elimination of tariffs as in most classic FTAs may be an easy goal, reducing differences in the regulation of foods, drugs, medical devices, autos, electrical products, telecommunications equipment and other regulated areas could face the same resistance raised previously by bureaucrats and lawmakers whose committees oversee those regulations. Sanitary and phyto-sanitary rules pose additional hurdles.

These potential roadblocks may explain why the U.S.-EU High-Level Working Group suggested that the provisions in any transatlantic accord dealing with regulatory issues should be “designed to evolve over time.”

The last major push for reducing regulatory barriers came during the Clinton administration. That effort at reaching mutual recognition agreements (MRA) in several areas, including autos, tires, pharmaceutical excipients and recreation equipment, withered due to objections from regulators at the Food & Drug Administration, the Coast Guard and National Highway Traffic Safety Administration. The late Sen. Edward Kennedy (D-Mass.) reportedly intervened also to block having FDA included in any transatlantic deal.

It wasn't just U.S. regulators who blocked those talks. After U.S. and EU officials first raised the idea of a Transatlantic Marketplace, the EU Council of Ministers nixed the idea. Then at a May 1998 U.S.-EU Summit, leaders settled on seeking a Transatlantic Partnership (see **WTTL**, May 18, 1998, page 2).

Regulators have opposed being included in trade agreements, often citing the WTO Agreement on Technical Barriers to Trade (TBT), which excludes regulations for health and safety from many of the WTO rules. While some agencies have reached bilateral deals, including FDA, with counterparts in Europe, especially for factory inspections, they have said they don't want their TBT exemption eroded by U.S. trade negotiations.

In addition, they note that their authorizing legislation doesn't allow them to accept the approvals of foreign regulatory agencies for the products under their jurisdiction. Any trade agreements that cover regulatory issues could bring the congressional committees with jurisdiction over those areas into the legislative process for approving the final accord, an area normally under the exclusive jurisdiction of the Senate Finance and House Ways and Means committees.

Regulatory harmonization in lieu of MRAs has also been a difficult lift because of disagreements over whose standards to use. Both U.S. and EU regulators have argued for their own standards to be the basis for harmonization.

“I still believe the agencies have autonomous powers to conclude agreements that regulators see as necessary to be internationally connected,” says Charles Ludolph, president of Transnational Analytics in Arlington, Va., and a former deputy assistant secretary of Commerce for Europe. What may have changed, Ludolph contends, is the tightening of the federal budget, which has reduced funds for conducting inspections overseas. But he warns that areas such as intellectual property rights and rules governing the Internet could become serious sticking points in transatlantic talks.

## Export Controls Not on Banking Committee Agenda

The Senate Banking Committee appears to have no interest in U.S. export controls, despite the Obama administration's highly touted focus on reforming current export licensing requirements. In a memo that Committee Chairman Tim Johnson (D-S.D.) issued Feb. 12 on the panel's agenda for the next two years of the 113th Congress, there is no mention of export controls or the Export Administration Act (EAA), which comes under its jurisdiction. There is a promise, however, to conduct oversight on the implementation of Iran sanctions and to consider to new sanctions if needed.

The committee's main interest will be on financial regulations and Wall Street, including oversight of the Dodd-Frank Act, housing and consumer protection. Its interest in trade is limited to the Export-Import Bank, which is up for reauthorization in September 2014, and the Defense Production Act, which also will need reauthorization in September 2014.

"The current authorization for the Export-Import Bank expires on September 30, 2014. In addition to the reauthorization of the Export-Import Bank, the Committee will continue to support efforts to further promote export opportunities for American businesses and workers," Johnson wrote. He said the committee will continue its oversight of the operations of the Committee on Foreign Investment in the United States (CFIUS), which examine foreign investments that might threaten national security. "The Committee will also examine issues of compliance with the Foreign Corrupt Practices Act raised by reports of significant violations by U.S. companies," the memo stated.

Banking "will continue appropriate oversight of ongoing U.S. State Department and Treasury Department rulemaking, implementation and enforcement of Iran sanctions legislation, including the Comprehensive Iran Sanctions and Divestment Act of 2010 (CISADA), National Defense Authorization Act (NDAA), Iran Central Bank legislation of 2011, the Iran Threat Reduction and Syria Human Rights Act of 2012, and the Iran Freedom and Counter-Proliferation Act of 2012 contained in Fiscal Year 2013 NDAA legislation," Johnson noted. "The Committee will continue to take any additional steps that may be necessary to strengthen U.S. policy in this area, including providing a range of appropriately strong sanctions tools to the Administration, depending on the state of ongoing U.S. and international negotiations on Iran's nuclear program," he added.

## Labor, Environment Rules in TPP Still Undecided, Weisel Says

Negotiators on a Trans-Pacific Partnership (TPP) deal haven't agreed on what labor and environment provisions to include in the pact or how provisions of the North American Free Trade Agreement (NAFTA) will fit into a broader regional deal, Barbara Weisel, Assistant USTR for Southeast Asia and the Pacific, told a Feb. 12 event in Washington sponsored by the Georgetown Center for Business and Public Policy. "What relationship there will be between NAFTA and TPP will depend on specific issues," she said.

"Some people, for instance, have looked at things like the NAFTA side agreements on labor and said, 'what will happen to all the apparatus that was established in NAFTA to implement the labor side agreements?' We haven't decided that yet," Weisel said.

"Some seem very apparent to the parties -- that it makes sense to have the TPP supersede

NAFTA -- but in other cases, it will make sense to have the agreements live side by side, and we have to work all of that through,” she noted. For the last two years, 500 negotiators from 11 “like-minded” countries have spent 15 rounds of talks tackling 29 chapters and 11,000 lines of tariffs, Weisel pointed out. This work is “time-consuming and detail oriented,” she said. The talks have also been complicated because the U.S. has bilateral agreements with several TPP participants and those countries have agreements with other countries.

Weisel said a “long list” of obstacles still face the TPP talks. “We have set a goal of finishing the negotiations this year, and we are doing everything we can to achieve that,” she stated. “I think what we’re doing now is to focus on our common goals and our commitment to get this done, and working through the issues as quickly as we can,” Weisel added. President Obama gave the talks a plug in his State of the Union address Feb. 12. “To boost American exports, support American jobs, and level the playing field in the growing markets of Asia, we intend to complete negotiations on a Trans-Pacific Partnership,” he declared, without giving a specific target date for finishing the talks.

## USTR Staff Satisfaction Ranks Lowest in Government

The next U.S. Trade Representative (USTR) will have more work to do than negotiating a Trans-Pacific Partnership deal and a U.S.-EU FTA. The new USTR will have to fix the agency’s severe morale problems. The USTR’s office was rated lowest in employee satisfaction and commitment among all federal agencies, according to data released by The Partnership for Public Service (PPS). Sources say the PPS report has also drawn the attention of congressional committees that oversee the agency, and the staff’s morale could be a question a USTR candidate could face during a confirmation hearing.

This was the second year in a row that the USTR’s office tallied at the bottom of a score of any federal agency surveyed as part of the PPS 2012 *Best Places to Work in the Federal Government* rankings. The report cited declines in leadership and numerous other indicators used to measure the health of the workplace. In 2012, the USTR employee satisfaction score was 32.7 out of 100, a 15-point drop from the 2011 score of 47.7, PPS reported. Since 2010, the agency’s job satisfaction score has plummeted 24.7 points, the organization noted.

Morale problems at the agency aren’t new. USTR staffers say satisfaction began to decline under the micromanagement of USTR Robert Zoellick during the George W. Bush administration. It picked up some while Rob Portman held the post. While current USTR Ron Kirk is well liked among agency staff, they note concerns about the lack of new trade initiatives until the launch of the TPP talks and prospects for EU negotiations. In addition, they say the office has not had an effective voice in Cabinet discussions on trade issues for several years.

The USTR’s office ranked 29<sup>th</sup> out of 29 small government agencies surveyed and lowest of all government agencies in total satisfaction. Other trade agencies also scored low in job satisfaction. The International Trade Commission scored 60.0, putting it at 22<sup>nd</sup> out

of 29 small agencies, and the Export-Import Bank scored 59.2 points, placing it at 23 of 29. Best among all agencies was the Surface Transportation Board with a score of 84.3. “The trade agency, in addition, received low marks in the workplace categories of training and development, performance-based awards and advancement, and pay, which had a 10.6-point drop from 2011,” PPS said. “When employees were asked how satisfied they were with the training they receive for their present job, they offered a response of just 11.6 out of 100. And on the question of whether they were satisfied with opportunities to get a better job in the organization, the score was 17.9 out of 100,” it noted.

## Trade Officials Have Beef with Russian Import Ban

In what some see as further retaliation for congressional action against Russian human rights abusers, Moscow imposed a ban on imports of U.S. beef, pork and turkey products Feb. 11. Russia said it had banned the imports due to the presence of the hormone ractopamine. The Russian action drew a quick response from U.S. Trade Representative (USTR) Ron Kirk and Agriculture Secretary Tom Vilsack.

The U.S. “is very disappointed that Russia has taken action to suspend all imports of U.S. meat, which is produced to the highest safety standards in the world. Russia has disregarded the extensive and expert scientific studies conducted by the international food safety standards body, the Codex Alimentarius Commission (Codex), which has repeatedly concluded that animal feed containing the additive ractopamine is completely safe for livestock and for humans that consume their meat,” they said in a joint statement.

“Russia’s failure to adopt the Codex standard raises questions about its commitment to the global trading system. Despite repeated U.S. requests to discuss the safety of ractopamine, Russia has refused to engage in any constructive dialogue and instead has simply suspended U.S. meat imports,” Kirk and Vilsack said. “The United States calls on Russia to restore market access for U.S. meat and meat products immediately and to abide by its obligations as a Member of the World Trade Organization,” they added (see **WTTL**, Dec. 10, page 4).

In a letter to Agriculture’s Food Safety and Inspection Service Jan. 30, the deputy head of Russia’s Rosselkhoznadzor [Federal Service for Veterinary and Phytosanitary Surveillance] “expressed deep regret on the fact that in spite of repeated appeals from the Rosselkhoznadzor the American party gave no guarantees on the absence of beta-adenostimulator (ractopamine) in animal product consignments supplied on the Russian market,” said a statement on the Rosselkhoznadzor website. “Failure of the American party to supply reliable ractopamine free meat results in undue additional costs spent by the Russian members of foreign trade on disposal, recycling or re-export of products non-compliant with the safety requirements,” it said.

## FTZ Traffic Getting Back to Pre-Recession Levels

Import and export activity in foreign trade zones (FTZs) is heading back toward pre-recession highs and may have already reached that level, according to Andrew McGilvray, executive director of Commerce’s Foreign Trade Zone Board. In fiscal year

2011, which ended Sept. 30, 2011, the latest period for which data are available, total merchandise entering FTZs reached \$640.9 billion, he told a National Association of Foreign Trade Zones conference Feb. 12. This compares to \$692.6 billion in 2008. McGilvray drew his statistics from the board's annual report to Congress in December.

Of the \$640.9 billion in goods entering the FTZs, 57% (\$363.8 billion) was domestic status inputs, while 43% (\$277 billion) was foreign inputs. Zone exports in 2011 were only \$54.3 billion, counting only materials and not value added, the report noted.

The leading manufacturing operations in FTZs in 2011 involved oil/petroleum, vehicle parts, consumer electronics, pharmaceuticals, machinery/equipment and petrochemicals. The top warehouse and distribution activities were for oil/petroleum, vehicles, machinery/equipment, vehicle parts, textiles/footwear and consumer products. The five largest exporting firms operating zones were BMW, Chevron, Marathon Petroleum, Premcors Refining and Mercedes-Benz, according to the annual report.

\* \* \* **Briefs** \* \* \*

SECTION 38(f) NOTICE: State source says department is "in the final stages of pre-notification on CATs VIII and XIX, but not quite yet at the formal" step for first transfers of USML items to CCL (see **WTTL**, Feb. 11, page 1).

CUSTOMS: Without any advance indications, Deputy Customs and Border Protection (CBP) Commissioner David Aguilar retired after 31 years with the U.S. Border Patrol, Homeland Security Secretary Janet Napolitano announced Feb. 8. Aguilar had been acting Commissioner until December 2012, and no replacement has been named for Commissioner Alan Bersin whose recess appointment expired in December 2011.

ZEROING: CIT Chief Judge Donald Pogue ruled Feb. 13 that ITA adequately justified its use of zeroing in its remand determination in administrative review of polyethylene retail carrier bags from Thailand (slip op. 13-21). "In its Remand Results, Commerce has provided additional explanation for its determination not to aggregate the negative price margins of TPBI's [Thai Plastic Bags Industries] non-dumped sales with the dumping margins of TPBI's dumped sales, notwithstanding the agency's approach to calculating weighted-average dumping margins in initial investigations," Pogue declared.

EX-IM BANK: Diego Pinzon-Villamil, owner of Miami tile and tile cutting and milling company, was sentenced Feb. 14 in Miami U.S. District Court to 12 months' home confinement for defrauding Ex-Im Bank of nearly \$141,053. He also was sentenced to 36 months' supervised release and \$141,053 in restitution. Pinzon pleaded guilty Nov. 28, 2012, to one count of conspiracy to commit wire fraud and one count of wire fraud.

SENATE: Sen. Bob Casey (D-Pa.) joining Senate Finance Committee to fill vacancy left by John Kerry's confirmation to secretary of State.

SERVICES: European Commission asked EU Council of Ministers Feb. 15 to give it authority to enter formally into WTO talks on new services agreement. "The EU is also pushing for the agreement to dovetail with WTO rules so it can be later folded into the WTO system," Commission said.