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BIS Officials Expect Wassenaar Changes Next Week

Bureau of Industry and Security (BIS) officials still have a long list of rules that should be published before the end of the Obama administration, BIS Assistant Secretary Kevin Wolf told the President's Export Council Subcommittee on Export Administration (PECSEA) Sept. 15. First on the list is a large rule implementing control list changes that the Wassenaar Arrangement agreed to in 2015.

The rule includes "cleaning up and updating dozens and dozens of dual-use controls," Wolf said. He said he was "98% certain" the rule would be published the week of Sept. 19. The rule will also have the "first leg of some beginning of some rationalization of encryption controls, and some removal of actual ECCNs, which will set the stage for more substantial encryption clean-up for next year," Wolf said. Potential changes include reducing registration requirements in principle for encryption-related items, he added.

In other reform efforts, final changes to U.S. Munitions List Category XII (night-vision) are in the last stages of the formal congressional notification period (see **WTTL**, Aug. 1, page 1). There's a "good chance it will be published in early October," BIS Under Secretary Eric Hirschhorn told PECSEA.

Wolf also said he is "fairly confident" that another revision to Category XV (satellites) will be in final form by end of the year. "In the course of implementation we came across some unintended consequences for civil satellites, commercial satellites, communication satellites," he said. Another update to categories VIII and XIX (aircraft and engines) could also make the list. There are "no guarantees it will be published [by the end of the year], but I'm relatively confident it will," he added.

U.S. Goes After China for Excessive Grain Subsidies

The Obama administration Sept. 13 launched the 14th formal complaint against China at the World Trade Organization (WTO), taking aim at the country's excessive government

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support for Chinese production of corn, wheat and rice. U.S Trade Representative (USTR) Michael Froman and Agriculture Secretary Tom Vilsack jointly announced the move.

The complaint charges that China provides agricultural domestic support to Indica rice (long grain), Japonica rice (short and medium grain), wheat and corn in excess of its Aggregate Measurement of Support (AMS) commitments under the WTO Agreement on Agriculture. Vilsack said this latest complaint, the 23rd overall since President Obama took office, is the first that claims a violation of AMS.

China's market price support for corn, wheat and rice was \$100 billion above WTO limits in 2015, USTR estimates. Under the agriculture agreement, China committed to not provide domestic support above the de minimis level of 8.5%. China also makes annual announcements on the minimum prices at which the government will purchase the aforementioned commodities. As a result, Chinese domestic prices have been well above world market levels since 2012.

“These programs distort Chinese prices, undercut American farmers, and clearly break the limits China committed to when they joined the WTO. As this Administration has consistently and repeatedly shown, we will not stand by when our trading partners fail to follow the rules like everyone else,” said Froman. China has 60 days to respond to the U.S. request for consultations.

America's corn, wheat and rice industries export an average of \$20 billion per year. USTR estimates those exports contribute an additional \$70 billion to the U.S. economy every year and support 200,000 American jobs.

Sen. Heidi Heitkamp (D-N.D.) applauded the action. “This day is so important to North Dakota. It's important because the message is sent: ‘We will take aggressive action in the WTO when we see trade policy fail. When we see trade policies of other countries wrongly administered to the disadvantage of our producers,’ ” she said, noting that her state is a huge agricultural producer. She added that even more trade enforcement is needed, warning that failure to do so will create a nation unwilling to engage in trade deals.

President Obama used the enforcement announcement to make the case for passing the Trans-Pacific Partnership (TPP). While the U.S. has thus far won every case that's been decided at the WTO, Obama said in a statement, “it's not enough to enforce the existing rules; as our global economy evolves, we have to ensure America plays a leading role in setting the highest standards for the rest of the world to follow.”

Some U.S. industry groups seemed to hedge their support for the action. “We are hopeful that this step and our ongoing work in China can continue to support a long-term, stable and mutually-beneficial trading relationship,” said Tom Sleight, U.S. Grains Council (USGC) President and CEO, in a statement. Sleight called China “a complex and important trading partner for U.S. agriculture.”

India Hits Back in Fight over Renewable Energy Programs

In what is likely retaliation for a challenge to its domestic solar power program, India requested consultations Sept. 9 with the U.S. at the WTO over alleged domestic content requirements and subsidies provided by eight U.S. states in the renewable energy sector. A week later, the WTO Appellate Body upheld a decision against India's domestic solar program as expected (see **WTTL**, Aug. 1, page 7).

India charged that the renewable energy sectors in Washington, California, Montana, Massachusetts, Connecticut, Michigan, Delaware and Minnesota are propped up by domestic content requirements and subsidies, in violation of the WTO's Trade-Related Investment Measures Agreement (TRIMs) and the Agreement on Subsidies and Countervailing Measures (SCM). The U.S. has 60 days from the filing date to respond. Should the two countries fail to settle the matter, India can request WTO adjudication.

India previously filed questions at the WTO in 2013 regarding subsidies in solar programs in four U.S. states – Delaware, Minnesota, Massachusetts and Connecticut – and local content requirements for Michigan and California's renewable energy programs.

In a ruling that won't make India feel any better, the WTO Appellate Body Sept. 16 upheld a previous panel ruling that found that India's domestic content requirements for solar power developers selling electricity to the Indian government are inconsistent with the General Agreement on Tariffs and Trade and the TRIMs Agreement. The Appellate Body did not make broad findings on India's Jawaharlal Nehru National Solar Mission, which seeks to increase India's solar capacity to 100,000 megawatts by 2020.

The Appellate Body's ruling will be submitted to the WTO's Dispute Settlement Body (DSB) for formal adoption within 30 days. India then has 30 days from adoption to inform the DSB about how it will implement the ruling.

Single Export Application Form Still Ways Off

Information technology (IT) projects are harder than they look. As part of the export control reform effort, BIS and State's Directorate of Defense Trade Controls (DDTC) officials acknowledge that work toward a single licensing form could take two more years.

The two agencies are part of an interagency working group that has been harmonizing the list of common required data elements since May. The goal is to finish up "within the next month," Gerry Horner, director of BIS Office of Technology Evaluation, told the President's Export Council Subcommittee on Export Administration (PECSEA) Sept. 15.

The future of a single IT platform, which was supposed to be the least controversial of the four "singles" of export control reform, has been called into question (see **WTTL**, July 18, page 1). Add to that the complexity of combining several distinct user-facing systems. As

a simple first step, the agencies launched a single landing page for new exporters, called the Single Trade Application and Reporting System (STARS), which launched on export.gov at the end of May.

The next step is to start the process of getting Office of Management and Budget (OMB) approval on collecting the data, which could include three rounds of Federal Register notices and public comments, Horner said. In all, he estimated it could take six months to “go through this entire thing,” he told PECSEA.

While officials had previously hoped to launch a single form by the end of the Obama administration, exporters will not see anything this calendar year and perhaps not until 2018, Horner noted.

This effort is running in parallel to an ongoing IT modernization process at DDTC, said DDTC CIO Karen Wrege. Her agency has gotten approvals for a new commodity jurisdiction (CJ) form, as well as a new registration form, she told PECSEA. Most recently as part of this process, DDTC asked for public comments on a new advisory opinion form in the Federal Register Sept. 16.

“DDTC has recently acquired an electronic case management system to update its business processes and how it receives and handles information from industry. This system, once deployed, will allow users to electronically submit requests for advisory opinions to DDTC; users will be able to retrieve responses using the same system,” it said.

“DDTC staff members have defined the data fields which are most relevant and necessary for requests for advisory opinions and developed the means to accept this information from the industry in a secure system. The revision of this information collection is meant to conform the current OMB-approved data collection to DDTC’s new case management system,” DDTC noted. Comments are due Nov. 15.

The agency previously requested comments on a new licensing form and received 150 pages of comments, Wrege told PECSEA. “Our form is subset of the larger ‘one form’ initiative,” she said. “We’re a little bit ahead of the game,” she noted.

Administration Reinstates Burma’s GSP Eligibility

After a beautifully choreographed meeting with Nobel Laureate Aung San Suu Kyi, President Obama Sept. 14 said his administration is prepared to lift remaining U.S. sanctions on Myanmar, aka Burma. “It is the right thing to do in order to ensure that the people of Burma see rewards from a new way of doing business and a new government,” he said in a joint appearance with the country’s de facto leader.

Just six months after the country held successful elections in November 2015, the Obama administration loosened some sanctions against Burma in May, including three OFAC

general licenses (see **WTTL**, May 23, page 5). In response to a single question on the timetable for lifting the remaining sanctions, Obama simply said, “Soon.”

Treasury’s Office of Foreign Assets Control (OFAC) posted a new Frequently Asked Question (FAQ) outlining the process when it comes. “At that time, the sanctions imposed under OFAC’s Burmese Sanctions Regulations will no longer be in effect. OFAC will formally remove the Burmese Sanctions Regulations from the Code of Federal Regulations and take other administrative actions as necessary. Other departments and agencies will implement additional changes that will be announced on their websites as appropriate,” it said.

At the same time, the administration reinstated Burma’s eligibility for benefits under the Generalized System of Preferences (GSP) as of Nov. 13, 2016. “While there is more work to be done, including to address concerns regarding human trafficking, Burma has made important progress in recent years with respect to worker rights,” said USTR Michael Froman in a statement announcing the move. The U.S. suspended Burma’s GSP benefits in 1989 due to worker rights concerns.

Business groups applauded the move, especially the potential removal of regulations around OFAC’s Specially Designated Nationals (SDN) List. “This action would remove the single biggest obstacle to U.S. companies engaging in Myanmar and allow U.S. companies to compete on a level playing field with competitors from Europe, Asia, and elsewhere,” said Alexander Feldman, president & CEO of the U.S.-ASEAN Business Council.

Worker rights groups were not pleased with the decision. AFL-CIO Director of International Affairs Cathy Feingold called the announcement “very concerning.” “Once again, the U.S. has made a premature decision that gives away leverage in efforts to improve labor and other human rights,” she said. “The administration’s action reduces its ability to insure that Burma does not advantage human and worker rights violators or those who facilitate and profit from endemic forced labor or other abuses,” Feingold noted.

Obama “Not Letting Up” on TPP

While pundits are already handing out advice to the next president, the current administration is still sending signals that he’s committed to working with Congress to get the TPP approved (see story page 8). Before a bipartisan meeting at the White House Sept. 16, President Obama repeated his urgent support for the deal.

“I thought it was important for people, even though we’re in an election season, to know that this is not something I’m letting up on. I don’t have any more elections to run, and the reason that I’m pushing this so hard is because I know, and other countries know and China knows that if we get this done, advantage America. And if we don’t, then we’re going to be disadvantaged for a long time to come,” he said. “Right now, China is pushing hard to create their own trading regime out in Asia. And I promise you that China is not

going to be setting up a bunch of rules that are going to be to the advantage of American companies and American businesses. If we are not in there and making sure that fair trade is established in the Asia market we're going to be cut out," Obama noted.

Confirming Obama's urgency are the anxieties of other countries already moving forward to get TPP passed through their parliaments. "Asia is not going to wait," Australian Ambassador to the U.S. Joe Hockey warned in a phone call with reporters Sept. 15. "Either we end up with rules of engagement on trade and economic engagement in Asia based on principles that America and Australia share or else there will be alternative agreements that will be signed by Asians with Asians excluding the United States and others," referring specifically to the Regional Comprehensive Economic Partnership championed by China. The people who will lose out are hundreds of thousands of Americans who work for global companies, he added.

Rep. Dave Reichert (R-Wash.) acknowledged the domestic political realities around TPP, speaking at the President's Export Council meeting Sept. 14. "The reality is we lost some votes," he said. "The reality is there's a lot of political work to do, to not only educate members, but to help them overcome the issues they are experiencing in their own districts," Reichert noted. Specifically, the tobacco issue "may be one we can't resolve, he said, but we're "making process on financial services, great progress on biologics, and we're starting to come to a place where we might find a pathway forward."

Export-Import Bank Returns to Argentina

While the Export-Import Bank (Ex-Im) board is still short of its quorum allowing for full financing, the bank announced Sept. 14 it will once again offer short and medium-term financing in Argentina after being closed to sovereign transactions for more than 15 years. At the same time, business groups and presidential advisors repeated their calls for a fully functioning bank board.

The Argentina announcement came following an interagency evaluation of country prospects, Ex-Im's statement noted. The evaluation showed that Argentina's economic and financial environment have improved and "indicate better repayment prospects." Ex-Im will offer financing up to seven years and will consider structured, longer-term financing for Argentina's public and private sectors.

"This opening is due in large part to the meaningful reforms implemented by President [Mauricio] Macri and the Government of Argentina. This is an opportune time for cooperation between U.S. and Argentine businesses, and EXIM stands ready to provide the financing necessary to facilitate mutually beneficial partnerships," said Ex-Im Chairman and President Fred Hochberg said in a statement.

In further good news for Ex-Im, business groups Sept. 12 urged congressional leadership to help make Ex-Im fully operational, which could happen in a continuing resolution (CR), or short-term funding bill. "We were encouraged to see identical language adopted in both

the House and Senate foreign operations appropriations bills that would temporarily modify the Bank's quorum requirement so that it may again review transactions over \$10 million dollars. We strongly urge you to include this modification, which was also on the White House's anomaly list, to the Bank's Board" in the CR, reads their letter.

The next day, the President's Export Council (PEC) Sept. 13 approved a letter from the private sector appointed PEC members, citing a full Ex-Im board as the second most important action the president can take, after TPP. "There are reportedly more than 30 transactions worth over \$20 billion to American exporters and their supply chains pending approval by the Bank's Board, PEC wrote. The group urged the administration to "prioritize working with Senate leadership to secure confirmation of the pending nominees to the Bank's Board this year," they added.

The House Appropriations Committee July 12 approved an amendment by Rep. Charlie Dent (R-Pa.) to allow the Ex-Im Bank board quorum to consist of two members instead of the three mandated by the bank's charter (see **WTTL**, July 25, page 7). Aerospace Industries Association, National Association of Manufacturers, National Foreign Trade Council, and Small Business Exporters Association were among the letter signatories.

House Committee Airs Old Cuba Debates

During a hearing Sept. 14 on a bill that would take a small slice out of the decades-old Cuba embargo, members of the House Agriculture Committee revisited the old debate over opening the island to U.S. products versus punishing Havana for its leaders' oppressive policies.

The committee discussed the Cuba Agricultural Exports Act (H.R.3687), which would remove the prohibition on U.S. assistance and financing for certain agricultural exports to Cuba. The bill was introduced in October 2015 by Rep. Eric Crawford (R-Ark.). The bill would also exempt from prohibitions against U.S. assistance to Cuba any exports under the market access program, the export credit guarantee program, and the foreign market development cooperator program, including any federal commodity promotion program obligations or expenditures of funds.

"Many believe that lifting the financing restrictions on agricultural trade could improve the daily lives of Cubans while also helping American agricultural producers who are experiencing one of the greatest downturns in the agricultural economy since the Great Depression," said Agriculture Committee Chairman K. Michael Conaway (R-Texas) in a statement after the hearing.

"If we are to be successful in lifting these restrictions, we must find common ground. Today's hearing was a good step in that direction. It was also a reminder that, in my view, repeated efforts to lift both the embargo and restrictions on travel are a distraction that is preventing us from making meaningful changes," he said. Witnesses in front of the committee included representatives of agriculture industry groups and banks that support

the bill. “U.S. farmers would like the freedom to sell their product into a market which appreciates the high quality of products the United States has to offer. Cubans would like to buy high-quality ingredients at a competitive price. The U.S. has both productivity and logistical advantages in meeting Cuba’s needs. In this instance when our two sets of customers’ views are aligned, we must position ourselves to meet their needs,” noted Matt Gibson of the North America Export Grain Association.

“This bill will not eliminate all the challenges in trading with Cuba. A number of additional issues will need to be addressed, including a lack of transparency in the Cuban banking system, questions of repayment ability, contract enforceability, even the establishment of a non-government import entity. All of these challenges will need to be addressed going forward to completely open the flow of trade between our countries,” Karen Lowe, CoBank senior VP, testified.

As expected, Cuban democracy organizations oppose the bill on human rights grounds. Since 2000, over \$5 billion in U.S. agricultural products have been sold to Cuba. “It is an unpleasant fact, however, that all of those sales by more than 250 privately-owned U.S. companies were made to only one Cuban buyer– the Castro regime,” Mauricio Claver-Carone, executive director, Cuba Democracy Advocates, told the committee. “The question comes down to: How to authorize private financing for U.S. agricultural sales to Cuba without subsidizing its derelict regime and in a manner consistent with U.S. security interests and the rights of victims?” he asked.

Advice for the Next President on Trade

What should the next president do about trade is the dominant question on the minds of Trans-Pacific Partnership (TPP) proponents and opponents alike. Four former U.S. Trade Representatives Sept. 12 ruminated on how they would advise the next president if they had their old job back. Two days later, opponents urged the next president to look critically at ongoing trade agreements.

“First I would ask, who won the election?” joked former USTR Carla Hills, who served in the position from 1989-1993. Speaking before a packed room at the Center for Strategic and International Studies, Hills said that it would be beneficial to explain to the next president that “trade is one of the motors” of economic growth and that the U.S. needs to push back against protectionism. That’s going to be tough for a president that has run against trade, as the leading presidential candidates have done, she noted.

Americans favor trade, Hills continued, but “they’re very worried about trade and outward movement of investment with respect to them personally, their jobs. So I think we have to do a better job with training with respect to jobs that are open that are available to those that are displaced. But let’s be accurate, 85% of the jobs that are lost today, and I would say that to the president, are a result of rapidly changing technology.” There are some 5 million unfilled, skilled jobs in this country and the U.S. needs to do a better job retraining workers for vacancies that exist.

William Brock, USTR from 1981-1985, echoed Hills' assessment that the U.S. needs to lead. He suggested negotiating a free trade agreement with the United Kingdom "as a message to the rest of Europe." In Asia, "start talking to Japan about a free trade agreement. Abe has put his whole career on the line. Back him up, give him an opportunity. Show that we are willing to put our neck out because the world is sliding backwards in terms of regulations and barriers in terms of growth, and if we don't do something about it no one else will."

Ron Kirk, who served as mayor of Dallas prior to his time as USTR (2009-2013), said that the business community and the administration needs to make a better appeal to the American people in the same way Obama sold the Affordable Care Act. "If you ask people what they think of Obamacare, they hate it. If you ask people how they like the fact that they can never be denied medical care because of a preexisting condition, they say, 'that's great,'" said Kirk.

"If you ask people whether we should be out competing for the 95% of consumers who have access to our market, and we don't to theirs, they go, 'yeah!' And shouldn't we be protecting our intellectual product and our work product so that we keep the jobs here? And they say 'Yeah!' And shouldn't they reduce tariffs to the levels that we have and give us access? 'Yeah!' So that's what we have to do," Kirk said.

Former USTR Susan Schwab (2006-2009) said the "key message" for the next president and cabinet is to understand that there is a lot of misinformation about trade being sown by the current campaigns, but underlining those falsehoods are real concerns and addressing those concerns immediately and consistently is imperative.

The tone could not have been more different two days later at a conference organized by Indiana University's School of Public and Environmental Affairs. With the exception of a senior fellow from the Peterson Institute for International Economics, the panelists spent a great deal of time bashing the TPP as detrimental to American workers.

"The first thing the next president should do, assuming TPP dies in the lame duck, is to make sure that the TPP never rises again. Once we've killed that Frankenstein, I think that we then need to look at our own existing trade structure," said Leo Gerard, president of United Steelworkers. He praised Hillary Clinton for proposing an Office of the Trade Prosecutor, noting that it costs businesses millions to bring enforcement cases to fruition and even when the outcome is favorable, remedy may not be meted out.

* * * Briefs * * *

IRAN: PanAmerican Seed Co. agreed Sept. 13 to pay OFAC \$4.32 million to settle charges of violating Iran sanctions. Company allegedly exported seeds, primarily flowers, indirectly to two Iranian distributors on 48 occasions from May 2009 through March 2012 "with knowledge or reason to know that the shipments were intended specifically for supply, transshipment, or reexportation to Iran." PanAm Seed shipped seeds to consignees based in two third-countries located in Europe or Middle East, and PanAm Seed's customers arranged for re-exportation to Iran, OFAC said. PanAm Seed did not voluntarily self-disclose alleged violations.

COTE D'IVOIRE: President Obama Sept. 14 signed Executive Order lifting economic sanctions on Cote d'Ivoire. Situation in African country “has been significantly altered by the progress achieved in the stabilization of Côte d'Ivoire, including the successful conduct of the October 2015 presidential election, progress on the management of arms and related materiel, and the combating of illicit trafficking of natural resources,” executive order said. OFAC same day removed six entities from SDN List including Laurent Gbagbo, country's former president. In May, DDTC announced it would review applications for ITAR licenses to export or temporarily import defense articles and services to or from Cote d'Ivoire on case-by-case basis after UN Security Council terminated sanctions against country (see **WTTL**, May 9, page 6).

TERRORISM: House passed by voice vote Sept. 12 State Sponsors of Terrorism Review Enhancement Act (H.R. 5484), which extends time designated country must refrain from sponsoring terrorism – from six months to 24 months – before president can remove it from official list of State Sponsors of Terrorism and gives Congress 90 days (from 45 days) to review any such action by president. “This legislation is an important check against Administration overreach,” House Foreign Affairs Committee Chair Ed Royce (R-Calif.) said on House floor prior to vote. “Cuba continues to harbor terrorists, both foreign and domestic, meddle in Venezuela, and continues its support for Iran's designs on Latin America,” he said. Cuba was delisted in May 2015 (see **WTTL**, June 1, 2015, page 1).

USED ELECTRONICS: Despite strenuous concerns from industry, Census and EPA are still moving toward final rule implementing “yes-no indicator” for exports of used electronics in Automated Export System (AES), Omari Wooden, Census assistant director for outreach and regulations, told BIS' Regulations and Procedures Technical Advisory Committee (RAPTAC) Sept. 13 (see **WTTL**, June 20, page 1). Final rule may be published in November, but more realistic date is December, Wooden said. While he could not comment on what rule will say, agencies are having serious discussions about narrowing definition of “used” and enforceability of new field, he noted.

EXPORT ENFORCEMENT: Asim Fareed was sentenced Sept. 12 in Scranton, Pa. U.S. District Court to two years' probation in connection to illegal export of goods, including pressure aging vessel and bending beam rheometer, to Iran. He formally pleaded guilty June 14 to conspiracy to provide false statements (see **WTTL**, June 20, page 5). Fareed, VP of Compass Logistics International, attempted to export goods and services “while providing false and fraudulent invoices, thereby causing shippers to fail to file and file false and misleading SED and AES information,” criminal information noted.

LUMBER: There are “fundamental” differences between U.S. and Canada in ongoing softwood lumber negotiations, Canadian Trade Minister Chrystia Freeland told reporters Sept. 14. Canada “would prefer peace” but is prepared to litigate, she added. Negotiators are working “intensively” to achieve a new deal, USTR Michael Froman said in statement. “Leaders agreed that a new agreement would be designed to maintain Canadian imports at or below an agreed U.S. market share,” Froman added. Last lumber agreement expired in October 2015. If new deal not reached by Oct. 13, yearlong moratorium on trade cases will cease and U.S. companies can seek retaliatory duties (see **WTTL**, Sept. 5, page 12).

TTIP: USTR Michael Froman and EU Trade Commissioner Cecilia Malmstrom met Sept. 15 in Brussels to take stock of TTIP negotiations. “We had a good meeting where we reviewed the substantial progress being made and discussed next steps for moving forward. We have directed our teams to make as much progress as possible during the next round, scheduled for the week of October 3 in New York,” two said in joint statement.

WWW: Per American Manufacturing Competitiveness Act of 2016 (H.R. 4923), ITC Sept. 14 unveiled new website (usitc.gov/mtbps) to provide information about how it will implement new duties related to Miscellaneous Tariff Bill process (MTB). President signed bill May 20 (see **WTTL**, May 23, page 8). ITC also building web-based MTB portal for filing and commenting on MTB petitions, scheduled to launch Oct. 14.

MORE WWW: In other web news, Customs and Border Protection (CBP) Sept. 12 launched its own website under Trade Facilitation and Trade Enforcement Act of 2015. Page “showcases news updates on trade enforcement and trade facilitation efforts in areas such as forced labor, anti-dumping countervailing duties, and the Automated Commercial Environment (ACE), as well as the latest on community engagement,” agency noted. Page can be found at www.cbp.gov/trade/trade-enforcement/tftea

STEEL: In final votes Sept. 12 ITC found U.S. industry is materially injured by dumped imports of hot-rolled steel from Australia, Brazil, Japan, South Korea, Netherlands, Turkey and UK and subsidized imports from Brazil and South Korea. Votes were all 6-0 except on Australia, which was 5-1. Commissioner F. Scott Kieff voted no. Commission unanimously agreed Turkey governmental subsidies negligible and made negative findings regarding critical circumstances on imports from Brazil and Japan.

MORE STEEL: In 6-0 “sunset” vote Sept. 16, ITC said revoking antidumping duty orders on hot-rolled flat-rolled carbon-quality steel products from Russia would renew injury to U.S. industry.

CUBA: U.S. and Cuba held first Legal Cooperation Technical Exchange in Havana Sept. 15. U.S. delegation included “working-level representatives” from Justice, State, FBI and Homeland Security. ... Three days earlier, two countries held inaugural Economic Dialogue in Washington Sept. 12. Delegations discussed trade and investment, labor and employment, renewable energy and energy efficiency, small business, intellectual property rights, economic policy, regulatory and banking matters, and telecommunications and internet access, State said in statement.

FCPA: Jun Ping Zhang, U.S. citizen and former chairman/CEO of Harris Corporation’s China-based subsidiary Hunan CareFx Information Technology, LLC, agreed Sept. 13 to pay SEC \$46,000 penalty for violating FCPA. Ping directly authorized or indirectly allowed between \$200,000 and \$1 million in improper gifts to government officials at Chinese state-owned hospitals and regional Departments of Health from at least April 2011 through April 2012, SEC noted.

FISHERIES: U.S. and 12 other WTO members Sept. 14 announced “shared commitment to launch plurilateral negotiations at the WTO that will seek to: prohibit harmful fisheries subsidies, including those that contribute to overfishing and overcapacity or are linked to illegal fishing; and strengthen the reporting and transparency of fisheries subsidies,” USTR said in statement. USTR was joined by ministers from Argentina, Australia, Canada, Chile, Colombia, New Zealand, Norway, Papua New Guinea, Peru, Singapore, Switzerland and Uruguay.

HONEY: Third time’s a charm. Customs officials Aug. 12 seized around 42 tons of illegally imported Chinese honey. Smuggled honey was contained in 132 55-gallon drums that were falsely declared as originating from Taiwan to evade antidumping duties on Chinese-origin honey, CBP said in press release Sept. 14. This is third significant seizure of honey in four months, release said (see **WTTL**, July 4, page 8).