Dear All - Good Day!

**Gary Stanley's ECR Tip of the Day:** You must submit reports to BIS under the provisions of EAR § 743.1 for exports of items on the Sensitive List (Supp. No. 6 to EAR Part 774). Although the items on the Sensitive List are identified by ECCN rather than Wassenaar Arrangement numbering, BIS drew the item descriptions directly from the Wassenaar Arrangement's Sensitive List.

**Today's Items:**

1. [USITC Delivers Final Report on Miscellaneous Tariff Petitions to Congressional Committees](#)
2. [Commerce/Enforcement and Compliance and U.S. International Trade Commission Announce Meeting](#)
3. [GAO Reports, Testimony, and Correspondence of Interest](#)
4. [U.S. Government Trade Forms and Other Information Collections Open for Public Comment](#)

**Other Headlines**

5. [North Korea Rails Against New Sanctions. Whether They Will Work Is Unclear.](#)
6. [Analysis: Why the Latest Sanctions on North Korea May Fail](#)
7. [As Sanctions Loom, Seafood Trade Slows on China-North Korea Border](#)
8. [Iran Reaches Deal with Renault Despite New U.S. Sanctions](#)
9. [4 Maps Show How Russia Could Strike Back against US Sanctions](#)
10. [China Prepares to Update Military Export Controls](#)
11. [Northrop Eyes Contracts for Minesweeping Payload](#)
12. [Trump Administration's Africa Policy in Focus at AGOA Trade Talks](#)
13. [Canada Plays Down Prospect of Solving U.S. Trade Dispute over Lumber](#)
14. [LCS Lives: They Still Count in Age of Frigates](#)
15. [Interview: Harris CEO Bill Brown on Narrowing the Corporate Focus](#)

**Upcoming Export Control and Other Trade Compliance Conferences**

1. [USITC Delivers Final Report on Miscellaneous Tariff Petitions to Congressional Committees](#)

The U.S. International Trade Commission (USITC) has submitted to Congressional committees a final report on miscellaneous tariff petitions it
received under the 2016 American Manufacturing Competitiveness Act (AMCA). The Commission’s final report and other background information can be found here. The submission of the final report marks the completion of the first petition cycle required by the law. In this report, the Commission categorizes petitions as either (a) petitions that meet the requirements of the Act with or without modification (Category I, II, III, or IV petitions), (b) petitions that do not contain the information required by the Act or for which the Commission determined that the petitioner was not a likely beneficiary (Category V petitions), or (c) petitions that the Commission does not recommend for inclusion in a miscellaneous tariff bill (Category VI petitions). The Commission’s final report provides recommendations on 2,524 petitions. The largest product categories were chemicals, accounting for 1,464 petitions; machinery and equipment, accounting for 457 petitions; and textiles, apparel and footwear, accounting for 456 petitions. Of the 2,524 petitions, the Commission assigned 1,825 to Categories I through IV, 54 to Category V, and 645 to Category VI.

Enacted in May 2016, the AMCA mandates two petition submission cycles, during which petitioners who can demonstrate that they are likely beneficiaries of a suspension or reduction of duties submit petitions to the USITC. The first cycle began October 15, 2016, and the second will begin by October 15, 2019. Under the process, once petitions are submitted, the USITC evaluates them and, taking into account information from the Department of Commerce and U.S. Customs and Border Protection, determines whether they meet certain statutory requirements. The USITC submits preliminary and final reports to the House Committee on Ways and Means and the Senate Committee on Finance for their use in developing a miscellaneous tariff bill for Congressional consideration.

2. Commerce/Enforcement and Compliance and U.S. International Trade

- **Commerce/E&C - Cast Iron Soil Pipe Fittings from the People’s Republic of China:** Initiation of Less-Than-Fair Value Investigation

- **Commerce/E&C - Cast Iron Soil Pipe Fittings from the People’s Republic of China:** Initiation of Countervailing Duty Investigation

- **Commerce/E&C - Fine Denier Polyester Staple Fiber from the People’s Republic of China and India:** Postponement of Preliminary Determinations in the Countervailing Duty Investigations

- **Commerce/E&C - Polyester Staple Fiber from the Republic of Korea:** Rescission of Antidumping Duty Administrative Review; 2016-2017

- **Commerce/E&C - Seamless Refined Copper Pipe and Tube from the People’s Republic of China:** Preliminary Results and Partial Rescission of
the Antidumping Duty Administrative Review; 2015-2016

- USITC - Steel Nails from the United Arab Emirates: Scheduling of an expedited five-year review

3. GAO Reports, Testimony, and Correspondence of Interest


4. U.S. Government Trade Forms and Other Information Collections Open for Public Comment


Other Headlines

5. North Korea Rails Against New Sanctions. Whether They Will Work Is Unclear

New York Times.com, Aug. 7 - The Trump administration has hailed the latest United Nations sanctions against nuclear-armed North Korea as the most severe yet, and the North’s fury over the penalties suggested they carried some sting. In a staccato of outraged reactions on Monday to the sanctions imposed over the weekend, North Korea threatened retaliation against the United States “thousands of times” over, vowed to never give up its nuclear arsenal and called the penalties a panicky response by an American bully. But it is unclear at best, experts on sanctions say, whether the measures will hinder North Korea’s nuclear militarization or even crimp its economy. The sanctions are aimed at pressuring North Korea into negotiating, with the goal of renouncing its nuclear weapons. But Kim Jong-un, the North’s leader, has repeatedly said that the country’s nuclear capabilities are crucial to its self-defense.

6. Analysis: Why the Latest Sanctions on North Korea May Fail

USAToday.com, Aug. 7 - Since North Korea's first nuclear test in 2006, the United Nations has imposed ever-tightening sanctions on the rogue regime to force it to halt its weapons programs. Yet none achieved that goal, and the reason is always the same, foreign affairs experts say. China. China's government — North Korea’s neighbor, chief political ally and economic lifeline — has supported the sanctions in word. But in action it continues to prop up Kim Jong Un's autocratic rule. "The pattern has always been the international
community gets excited," following nuclear or missile tests, said Jay Lefkowitz, a former U.S. special envoy on human rights in North Korea. "China makes promises, then they abandon those promises."

7. As Sanctions Loom, Seafood Trade Slows on China-North Korea Bord

Reuters.com, Aug. 8 - A thriving trade in seafood across the Yalu River that separates China from North Korea has dramatically slowed, traders said, although there is still nearly a month to go for a United Nations deadline to tighten sanctions on Pyongyang as punishment for its missile tests. The U.N. Security Council unanimously passed a resolution on Saturday banning North Korean exports of coal, iron, iron ore, lead, lead ore and seafood, intending to press the Asian state to renounce its nuclear weapons and ballistic missile programs. Countries have 30 days to enforce the tougher measures, which aim to choke off a third of the North's $3 billion annual export revenue, after the isolated country persisted with two intercontinental ballistic missile tests in July.

8. Iran Reaches Deal with Renault Despite New U.S. Sanctions

New York Times.com, Aug. 7 - The French carmaker Renault signed a multimillion-dollar deal in Tehran on Monday, agreeing to raise vehicle production in Iran just days after President Trump signed into law new sanctions against the country. The roughly $780 million agreement to produce as many as 150,000 additional cars a year is the largest foreign auto deal in Iran’s history, state-run PressTV said. It was a victory for President Hassan Rouhani, who was sworn into office on Saturday after being re-elected this year promising to revitalize an economy hurt by sanctions. Iran, an Islamic republic, is increasingly attracting foreign investors, despite restrictions imposed by the United States over its missile program and its military activities in the region.

9. 4 Maps Show How Russia Could Strike Back against US Sanctions

BusinessInsider.com, Aug. 7 - The US Congress has passed new sanctions targeting Russia’s energy companies. Recognizing that a vital sector in its economy has even less chance of relief than it once had, Russia has retaliated. It has reduced the number of diplomats it has in the US and has seized property used in Russia by US diplomats. Energy sales are an important source of revenue in Russia. But it’s more than that. For Russia, energy is also an instrument of geopolitical power. They give Moscow considerable influence over the countries dependent on Russian energy exports. If Russia retaliates further against the US, its energy supplies—especially those it sends to Europe—may be its best option to do so.

10. China Prepares to Update Military Export Controls
China is preparing to introduce a new export-control law to regulate its international transfers of nuclear, biological, chemical, military, and dual-use goods and services. The Chinese government published the draft legislation for public comment earlier this year, with the deadline for feedback passing in July 2017. The proposed law is expected to be introduced to the National People’s Congress for a first reading in 2018.

11. Northrop Eyes Contracts for Minesweeping Payload

As governments around the globe seek to modernize their mine countermeasure systems, Northrop Grumman is hoping to sell its AQS-24B payload, which is already employed by the U.S. Navy. Many international navies are in the process of recapitalizing their mine countermeasure capabilities, said Gene Cumm, director of advanced integration systems at Northrop Grumman. “A number of them are looking at getting away from the large mine-hunting ships with significant crew sizes, to go to more of an off-board unmanned capability just to reduce operating and support cost,” he said. The AQS-24B can be towed by an unmanned surface vessel to locate mines. The system has the ability to conduct mine-hunting missions at high speeds.

12. Trump Administration's Africa Policy in Focus at AGOA Trade Talks

With the Trump administration's trade agenda focused on reining in China and renegotiating the North American Free Trade agreement, Africa has barely appeared on the radar screen. That could change this week as President Donald Trump's top trade negotiator and other senior U.S. officials head to the West African nation of Togo to review a Clinton-era free trade pact with sub-Saharan Africa, in the administration's first high-level delegation to visit the region. Looming over the two-day ministerial is China's growing role in African trade and influence, as Beijing finances massive infrastructure projects in the region, some through its new Asian Infrastructure and Investment Bank.

13. Canada Plays Down Prospect of Solving U.S. Trade Dispute over Lumber

Canada on Monday played down the prospect of a resolution with the U.S. over a trade spat on lumber imports before the start of talks to revamp the North American Free Trade Agreement, denting enthusiasm raised by Prime Minister Justin Trudeau last month for such an outcome. The inability to cut such a deal before the start of the renegotiations, set to formally start on Aug. 16, threatens to add another layer of complexity in efforts by the U.S., Canada and Mexico to find common ground on a new continental trade pact, Canadian lawmakers and trade watchers have warned. Talks are aimed at settling the latest chapter in a decadeslong trade dispute between Washington and Ottawa over Canadian softwood lumber, which is mostly used to build houses.
14. LCS Lives: They Still Count in Age of Frigates

Breaking Defense.com, Aug. 7 - Yes, the Navy has cut short its Littoral Combat Ship program and started work on a bigger, tougher, better-armed frigate. But the small ships will still be big part of the future fleet, experts we spoke to agreed, and the frigate will carry on much of the LCS legacy. It’s true the Navy’s needs have changed, because the world has changed, with rising threats from major powers eclipsing Third World pirates – but the Littoral Combat Ship has changed as well. In particular, an LCS design conceived during the days of the “peace dividend” is being upgunned with both short- and long-range missiles that increase its relevance for major war. The shift to frigates is not just a rejection of LCS, either. While the frigate concept turns away from some aspects of LCS – its high speed, its small crew, its limited combat power – it embraces others, such as extending the ship’s reach with unmanned craft and fleetwide networks. In other crucial respects, especially the frigate’s offensive and defensive firepower, the Navy’s still making up its mind.

15. Interview: Harris CEO Bill Brown on Narrowing the Corporate Focus

DefenseNews.com, Aug. 7 - Harris Corporation saw its ranking on the 2016 Defense News Top 100 jump a whopping 22 spots, thanks largely to its acquisition of Exelis. For the 2017 list, its movement was understandably less dramatic, down a few slots due primarily to its divestiture of two businesses. Defense News Executive Editor Jill Aitoro spoke to CEO Bill Brown to find out where the company sees its future opportunity, and how narrowing focus can enable growth.

16. Opinion: Too Many Generals in Trump Administration?

Breaking Defense.com, Aug. 7 - President Donald Trump named retired Marine Gen. Jim Mattis as Defense Secretary, the highest-ranking civilian position in the Pentagon. Retired Marine Gen. John Kelly was named first to head the Homeland Security Department and then replaced Reince Priebus as White House Chief of Staff. Army Lt. Gen. H.R. McMaster replaced Air Force Gen. Mike Flynn as the Trump Administration’s National Security Advisor. And Attorney General Jeff Sessions has nominated Army Maj. Gen. Mark Inch to head the Bureau of Prisons. If approved, as he likely will be, there will be four military generals serving in top positions normally held by civilians. . . . Beyond that, while each of these individuals undoubtedly brings tremendous experience to their positions, it must also be asked whether they are bringing the right job skills and cultural dispositions to their positions. Nobody argues that retired ambassadors, because they have demonstrated career achievement should, on retirement, be hired by the military, given a few stars and perhaps act as a Service Chief or the Joint Chief of Staff. They simply do not have the job skills to do so. Yet retired military officers (and now active duty officers) are
frequently assumed to be able to step into positions very different than their job skills – and professional culture – likely have prepared them for.

**Upcoming Export Control and Other Trade Compliance Conferences**

Sept. 4-9 - International Compliance Professionals Association (ICPA) - [2017 ICPA Conference at Sea!](#) - Galveston Ship Terminal to Cozumel, Mexico - 2 full days of classes

Sept. 5 - U.S. Dept. of Commerce/Bureau of Industry and Security (BIS) - [EAR and OFAC Fundamentals Seminar](#) - Nashville - Gaylord Opryland Hotel

Sept. 6 - U.S. Dept. of Commerce/U.S. Census Bureau - [Automated Commercial Environment Exports Compliance Seminar](#) - Nashville - Gaylord Opryland Hotel


Sept. 11-13 - [44th Annual South Carolina International Trade Conference](#) - Charleston, SC - Historic Downtown Charleston area at the Gaillard Convention Center

Sept. 12-13 - U.S. Dept. of Commerce/Bureau of Industry and Security (BIS) & World Trade Center-Kentucky - [Complying with U.S. Export Controls](#) - Louisville, Kentucky - The Brown Hotel

Sept. 12-13 - U.S. Dept. of Commerce/Bureau of Industry and Security (BIS) & Professional Association of Exporters and Importers - [Complying with U.S. Export Controls](#) - Milpitas, California - Crowne Plaza San Jose-Silicon Valley Hotel

Sept. 14 - U.S. Dept. of Commerce/Bureau of Industry and Security (BIS) & Professional Association of Exporters and Importers - [Encryption Controls](#) - Milpitas, California - Crowne Plaza San Jose-Silicon Valley Hotel

Sept. 20-21 - NielsonSmith - [The European Anti-Corruption Summit 2017](#) - Berlin, Germany

Sept. 25 - American Conference Institute - [Seminar on Third Party Due Diligence & Monitoring for New and Existing Partners](#) - San Francisco, California - Hyatt Fisherman's Wharf Hotel


Sept. 26-27 - American Conference Institute - [10th West Coast Conference on FCPA Enforcement & Compliance](#) - San Francisco, California - Hyatt Fisherman's Wharf Hotel
Sept. 27 - Society for International Affairs - **IT Capabilities and Solutions for the Trade Compliance Community: Where IT and Trade Compliance Intersect** - Tysons Corner, Virginia - Ritz Carlton Tysons Corner Hotel


Oct. 10-12 - Partnering for Compliance™ - "Partnering for Compliance™" West Export/Import Control Training and Education Program - Dallas - Dallas-Fort Worth Marriott South Airport Hotel - Click [here](#) for more information. *Separate Customs/Import Boot Camp one-day program will take place on Friday, October 13, 2017.*


Oct. 23-25 - American Conference Institute - **3rd Canadian Forum on Economic Sanctions Compliance & Enforcement** - Toronto - Sheraton Centre Hotel

Oct. 24-25 - NielsonSmith - **Customs Compliance in Europe** - Düsseldorf, Germany

Oct. 31-Nov. 1 - American Conference Institute - **6th Asia-Pacific Summit on Anti-Corruption Compliance and Risk Management** - Singapore - Pan Pacific Orchard Hotel

Nov. 2 - American Conference Institute - **3rd Asia-Pacific Summit on Economic Sanctions Compliance and Enforcement** - Singapore - Pan Pacific Orchard Hotel

Nov. 5-7 - International Compliance Professionals Association (ICPA) - **2017 ICPA Singapore Conference** - Singapore - Grand Copthorne Hotel

Nov. 9-10 - International Compliance Professionals Association (ICPA) - **2017 ICPA China Conference** - Jing An District, Shanghai - Four Seasons Hotel

Nov. 7 - U.S. Dept. of Commerce/U.S. Census Bureau - **Automated Commercial Environment Exports Compliance Seminar** - Norfolk, Virginia - Holiday Inn VA Beach Hotel and Conference Center
Nov. 13-14 - The Canadian Institute - 3rd Andean Summit on Anti-Corruption Compliance and Enforcement - Bogotá

Nov. 29-30 - American Conference Institute - 4th U.S. Customs Compliance Boot Camp - Washington, DC


Dec. 5 - U.S. Dept. of Commerce/U.S. Census Bureau - Automated Commercial Environment Exports Compliance Seminar - San Juan, Puerto Rico - Hotel TBD

Dec. 5-6 - C5 Group - US Defence Contracting and DFARS Compliance in Europe - Munich

Jan. 31-Feb. 1 - NielsonSmith - Export Controls in Europe 2018 - Munich, Germany


We hope this update proves helpful. If you have questions about any of these developments, please do not hesitate to call us. If you received this free newsletter from a colleague or friend and would like to subscribe directly, please just e-mail your name, title, company, and e-mail address to gstanley@glstrade.com.

Cordially yours,

Gary L. Stanley
President
Global Legal Services, PC
5335 Wisconsin Avenue, N.W.
Suite 440
Washington, D.C.20015
Tel. +1 (202) 686-4854