



## TRUMP ON TRADE

In a statement [posted](#) on the White House blog on April 13, Commerce Secretary Wilbur Ross summarized Trump Administration trade policy to date, highlighting “new energy” in enforcement and the self-initiation of antidumping and countervailing duty (AD/CVD) investigations.

## EXECUTIVE ORDERS

President Trump has issued Executive Orders requiring:

- The Department of Homeland Security (DHS) to develop a plan to increase enforcement and require importers to provide additional bond security for antidumping and countervailing duty (AD/CVD) liability. E.O. [13785](#) (March 31, 2017).
- A trade deficit review to identify the specific issues causing the deficit on a country-by-country basis. E.O. [13786](#) (March 31, 2017).

## FTZ BONDED CARRIER RULING

Customs ruled that an FTZ Operator may not use its own Custodial Bond to secure the movement of its merchandise by an unbonded carrier from the port of arrival to its FTZ, regardless of whether the FTZ is located inside or outside the port limits. The ruling has some unusual facts and should be limited to the specific facts. Contact Marshall Miller with questions. [HQ H273262](#) (Jan. 17, 2017).

## 2016 AD/CVD STATISTICS

Customs issued a [summary](#) of its antidumping and countervailing duties (AD/CVD) enforcement activity for fiscal year 2016. Statistics show a significant increase in fines and enforcement. Customs collected \$1.5 billion in AD/CVD duties, a 25% increase from 2015 and a 200% increase from 2014.

## 2017 SEMINARS

Thanks to the attendees of our March and April seminars. The remaining seminar schedule for 2017 is:

- September 12 & 13 - FTZ 101 & 201
- October 3 & 4 - Import-Export 101 & 201

Seminars are offered to Miller & Company clients only. For more details contact Carrie Hatch.

## ZTE GUILTY PLEA

Following last month’s announcement that ZTE settled with the Bureau of Industry and Security (BIS), the Office of Foreign Assets Control (OFAC), and the Department of Justice (DOJ), ZTE has pleaded guilty to violations of U.S. export law. Under terms of the settlement, ZTE was fined \$1.19 billion, although a portion was suspended provided ZTE meets the terms of the settlement. 82 Fed. Reg. [15458](#) (March 29, 2017).

## CONFLICT MINERALS

The State Department has launched a review of how to best support reasonable sourcing of conflict minerals. Comments are due by April 28. 82 Fed. Reg. [15265](#) (March 27, 2017).

## EPA FILING DEADLINE

April 27, 2017 is the mandatory filing date for electronic EPA [filings](#) in ACE for Ozone Depleting Substances (ODS), Toxic Substance Control Act (TSCA), Vehicles and Engines (V&E), and Pesticides. EPA data for FTZ Type 06 entries (individual or weekly) must be filed on the Cargo Release (CBP Form 3461), except for V&E weekly entries which should be filed on the Entry Summary (CBP Form 7501).

## APHIS LACEY FAQs

The Animal and Plant Health Inspection Service (APHIS) has posted an updated FTZ Frequently Asked Questions (FAQs) [document](#) with interim measures for submitting APHIS Lacey Act data. The National Association of Foreign-Trade Zones (NAFTZ) is still working with APHIS to address FTZ filer issues relating to double filings and filings for manufacturing zones. Contact Linda King with questions.

## CBP COMMISSIONER

The Trump Administration has [nominated](#) Kevin McAleenan to be the next U.S. Customs Commissioner. Mr. McAleenan has been serving as deputy commissioner since 2013.

## MTB

- The U.S. International Trade Commission (USITC) has [posted](#) public comments submitted in response to industry petitions for Miscellaneous Tariff Bill (MTB) duty relief on particular products.
- The Commerce Department has issued a report on its review of the MTB petitions, including Customs-suggested changes to article descriptions.

## TSCA CERTIFICATION

Effective March 21, 2017, blanket Toxic Substances Control Act (TSCA) certifications are no longer allowed, including for participants in the Free and Secure Trade (FAST) and Border Release Advance Screening and Selectivity (BRASS) expedited release programs. Importers can meet TSCA requirements by uploading the required certification and certifier information through the Document Image System (DIS) or by submitting paper documents. [CSMS #17-000175](#) (Mar. 28, 2017).

## GEARMOTOR ORIGIN

Customs has issued a final determination on the country of origin of certain gearmotors, concluding that the U.S. assembly operations substantially transformed the product for the purpose of government procurement. [HQ H282391](#) (March 16, 2017).

## IRAN SANCTIONS CASE

U.S. authorities have arrested an Iranian-born bank executive for conspiring to evade U.S. [sanctions](#) on Iran. The bank executive is alleged to have conspired with a Turkish gold trader in engaging in transactions for the Iranian government.

## NEW BIS HEAD NOMINATED

President Trump has nominated [Mira Ricardel](#) to head the Bureau of Industry and Security (BIS). Ms. Ricardel was previously a vice president in Boeing’s Defense Space and Security Group and a special assistant to the president for personnel.

## E-COMMERCE

A World Customs Organization (WCO) [report](#) on e-commerce highlights national security, risk, and revenue challenges for customs authorities, including low value, *de minimis* shipments where data is limited or incorrect.

## BUY AMERICA LEGISLATION

U.S. Senator Tammy Baldwin (D-WI) recently [re-introduced](#) “Buy America” legislation that requires American-made iron and steel for drinking water infrastructure projects.

## CBP FORMS 28/29

Customs is sending CBP Form 28/29 notifications directly to the importer of record with no copy going to the broker. This makes it even more important for importers to ensure they are timely receiving and reviewing Customs correspondence.

## SHIPPING COMPANY FINE

Demonstrating the need for good controls and systems for export shipments, [Access USA Shipping](#), a company that buys and ships U.S. goods to foreign customers, has been fined \$27 million by the Bureau of Industry and Security (BIS) for shipping licensable goods to foreign destinations without a license, falsifying values to evade duties and Automated Export System (AES) submissions, falsifying descriptions, shipping items to restricted parties, and destroying records. Contact Chuck Ballard with questions.

## LIQUIDATED DAMAGES

Acknowledging ACE errors with release dates, Customs has indicated that it is reviewing liquidated damage claims for late entry summaries and late payments on statements, and it may cancel more than 200 liquidated damages claims and refund already-paid claims to correct the errors.

## IRAN SANCTIONS

- On March 21, the U.S. imposed sanctions on 30 foreign entities and individuals in 10 different countries for their roles in transfers of missile technology and other controlled goods, services, or technology to or from Iran, North Korea, or Syria. 82 Fed. Reg. [15780](#) (Mar. 30, 2017).
- Following the implementation of additional U.S. sanctions on Iranian companies after Iranian ballistic missile tests, Iran has placed [sanctions](#) on fifteen U.S. companies.

## FTA STUDY

The U.S. Government Accountability Office (GAO) has issued a report that provides interesting information on the substantial costs, resources, and efforts of 11 different government agencies to monitor and enforce partner country obligations under free trade agreements. [GAO-17-399](#) (April 2017).

## AGRICULTURE ENTRIES

Newark Customs released an updated [version](#) of its Customs entry cover sheet document meant to help importers with submissions of agriculture (i.e., USDA-, FSIS-regulated) entries. The updated version of the form is to be completed by brokers before submitting hard copy entries.

## AES LICENSE CODE C32

Census issued a reminder that license code C32 is no longer accepted in AES. Most “NLR” shipments will use code C33. NLR shipments of items with a “600 series” or “9x515” Export Control Classification Number (ECCN) will continue to use C60. [CSMS #17-000170](#) (March 27, 2017).

## ALUMINUM EXTRUSIONS

The Court of Appeals for the Federal Circuit has overturned two U.S. Court of International Trade (CIT) decisions and ruled that aluminum trim kits and exhibition kits fall within the scope of China antidumping and countervailing duty (AD/CVD) orders because they are “finished goods kits.” [Meridian Products, LLC v. U.S.](#), CAFC Slip Op. [2016-1730](#) (March 28, 2017); [Districargo, Inc. v. U.S.](#), CAFC Slip Op. [2016-2192](#) (April 3, 2017).

## FDA CHANGES

The Food and Drug Administration (FDA) issued a Final Rule with technical amendments to its regulations on Prior Notice for imported foods. 82 Fed. Reg. [15627](#) (March 30, 2017).

FOREIGN-TRADE ZONES BOARD ACTIVITY AS OF 4/15/17		
	APPROVED	CURRENTLY AUTHORIZED
ZONES	292	274
SUBZONES	774	620
PENDING		
ZONES	3	
SUBZONES	17	
MISCELLANEOUS	43	

The material contained herein is not to be construed as legal advice or opinion. More information may be obtained by contacting any attorney within the firm.

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