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INTERNATIONAL BUSINESS AND TRADE

Trade Policy

E.U.:

The E.U. gave approval to the imposition of a 10% levy against a \$3.2 billion worth of imports from the United States on a range of products in retaliation for the 25% and 10% metal tariffs imposed by the U.S. on steel and aluminum (35 ITR 848; 6/28/18).

India:

India has identified \$1.4 billion worth of U.S. goods on which it shall impose \$240 million worth of tariffs in response to the Trump Administration tariffs imposed on steel and aluminum imports (35 ITR 840; 6/28/18).

Turkey:

Turkey has identified up to \$1.8 billion worth of U.S. goods on which it intends to impose tariffs valued at \$266 million in retaliation for the tariffs being imposed by the Trump Administration (35 ITR 840; 6/28/18).

Dumping

Canada:

Canada is again investigating whether American producers of gypsum board (drywall) are dumping their products into western provinces of Canada (35 ITR 844; 6/28/18).

Customs Duties

Canada:

The Prime Minister retaliated swiftly against the United States' tariffs on metals imposing levies on as much as \$12.8 billion of U.S. imports (35 ITR 772; 6/7/18).

U.S.:

The Commerce Department assessed common alloy aluminum sheet from China with preliminary duties of 167.16% (35 ITR 813; 6/21/18).

WTO:

The World Trade Organization (WTO) was asked by separate petitions from Canada and Thailand to join the negotiations with the U.S. over controversial tariffs levied by the Trump Administration on steel and aluminum (35 ITR 809; 6/21/18).

Dispute Resolution

Mexico:

Mexico has challenged the Trump Administration on the grounds of defending tariffs for steel and aluminum on the basis of the national security provision of U.S. trade law asserting such grounds violates WTO rules (35 ITR 783; 6/14/18).

WTO:

Norway became the sixth member of the WTO to challenge U.S. tariffs on steel and aluminum imports (35 ITR 782; 6/14/18).

The European Union (EU) and Canada have filed claims that the Trump Administration use of national security to justify steel and aluminum tariffs violate the rules of the WTO (35 ITR 786; 6/12/18).

LEGISLATIVE DEVELOPMENTS

Foreign Investment

U.S.:

The National Defense Authorization Act (NDAA) includes a provision for the Foreign Investment Risk Review Modernization Act (FIRRMA) (S. 2098) that would mandate economic reviews of all foreign investment in the U.S.

Dumping/Countervailing Duties

U.S.:

Sunpreme, Inc. must pay anti-dumping and anti-subsidy duties on its imports of solar modules from China according to the Federal Circuit Court of Appeals (*Sunpreme, Inc. v. U.S.*, Fed. Cir., No. 2017-1338, 2017-1351, 6/14/18; 35 ITR 814, 6/21/18).

LEGAL DEVELOPMENTS

Dumping

U.S.:

Universal Steel Products, Inc. is challenging a Commerce Department decision to expand tariffs on Chinese steel products finished in Vietnam (*Universal Steel Products, Inc. v. U.S.*, Ct. Int'l Trade No. 18-00149, filed 6/20/18; 35 ITR 845; 6/28/18).

Maverick Tube Corp. lost its bid to get the United States to reinstate duties on oil drilling equipment imported from Taiwan (*Tension Steel Industries Co. v. U.S.*, Fed. Cir. No. 2017-2526, 6/6/18; 35 ITR 787; 6/14/18).

Customs Duties

U.S.:

The Federal Circuit Court of Appeals rejected the requests of plaintiffs Silfab Solar, Inc., Heliene, Inc. and Canadian Solar Solutions, Inc. for temporary exemption from the duties while their court cases are heard and their challenges against the "safeguard" tariffs on imports of solar sales and modules from around the globe to protect U.S. manufacturers against flood of cheap solar imports are adjudicated (*Silfab Solar, Inc. v. U.S.*, Fed. Cir., No. 18-01718, 6/15/18; 35 ITR 814; 6/21/18).

Dumping/Countervailing Duties

U.S.:

Vietnamese steel producer Ton Dong A Corp is challenging the U.S. decision to expand duties on Chinese steel to cover products that are finished in Vietnam (*Ton Dong A Corp v. U.S.*, Ct. Int'l Trade No. 18-001, filed 6/15/18; 35 ITR 816; 6/21/18).

Trans-Pacific Trade

Canada:

Canadian International Trade Minister introduced legislation to implement the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) with ratification expected in the Fall of 2018 (35 ITR 828; 6/21/18).

EXPORTS AND SANCTIONS

Compliance

U.S.:

The Bureau of Industry and Security (BIS) of the Commerce Department determined that ZTE must pay \$1 billion and place an extra \$400 million in escrow before being removed from the Denied Persons List which penalties are in addition to the \$892 million already paid under the 2017 Agreement (70 WorldECR June, 2018, p. 3).

Blocking Regulations

E.U.:

The E.U. has initiated steps to activate Blocking Regulation to prohibit the U.S. from re-imposing sanctions on European companies which trade with Iran after the withdrawal of the U.S. from the Joint Comprehensive Plan of Action (JCPOA) (70 WorldECR, p. 7).

Russia:

President Putin signed a law allowing severance of relations or restriction of trade with foreign states viewed as hostile to Russia as a response to unfriendly actions of the United States (70 WorldECR, p. 7).

U.S.:

Additional sanction regulations have been imposed on Venezuela banning certain additional transactions and designating a number of current or former government officials as “blocked persons” for repeated violations of individual freedoms by the government (70 WorldECR, p. 7).

Export Controls

Australia:

Amendments were made to the Customs Prohibited Exports (Regulations 1958) (Cth) to treat transfer of the same control subject matter outside of Australia in a physical form consistently with such treatment for intangible transfers and shall now include email content (70 WorldECR, p. 14).

Anti-Money Laundering

United Kingdom:

The United Kingdom (UK) passed the Sanctions and Anti-Money Laundering Act of 2018 coming into force May 23, 2018, affording broad new powers to suspend and revoke sanctions regimes to implement UN sanctions (70 WorldECR, p. 27).

Cryptocurrencies

Switzerland:

The Swiss State Secretariat for Economic Affairs (SECO) confirmed along with the U.S. Office of Foreign Asset Control (OFAC) that transactions involving digital currencies are subject to U.S. and Swiss sanctions and embargo laws (70 WorldECR, p. 30).

INTERNATIONAL DEBT WATCH*

Gross Domestic Product	Ind. Prodn	Budget Bal.
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	Latest	QTR*	2018*	Latest	% GDP 2018
<i>United States</i>	+2.8 Q1	+2.2	+2.8	+3.5 Apr	-4.6
<i>China</i>	+6.8 Q1	+5.7	+6.8	+6.8 May	-3.5
<i>Japan</i>	+1.1 Q1	-0.6	+1.3	+2.5 Apr	-4.7
<i>Britain</i>	+1.2 Q1	+0.4	+1.4	+1.8 Apr	-1.8
<i>Canada</i>	+2.3 Q1	+1.3	+2.3	+4.9 Mar	-1.9
<i>France</i>	+2.2 Q1	+0.7	+2.0	+2.1 Apr	-2.4
<i>Germany</i>	+2.3 Q1	+1.2	+2.2	+2.0 Apr	+1.1
<i>Greece</i>	+2.3 Q1	+3.1	+1.8	+1.9 Apr	-0.3
<i>Italy</i>	+1.4 Q1	+1.1	+1.4	+1.9 Apr	-2.0
<i>Spain</i>	+2.9 Q1	+2.8	+2.8	+11.0 Apr	-2.6
<i>Turkey</i>	+7.4 Q1	na	+4.3	+5.1 Apr	-2.8
<i>Hong Kong</i>	+4.7 Q1	+9.2	+2.9	+0.7 Q4	+0.8
<i>South Korea</i>	+2.8 Q1	+4.1	+2.9	+0.9 Apr	+0.7
<i>Brazil</i>	+1.2 Q1	+1.8	+2.2	+8.9 Apr	-7.1
<i>Mexico</i>	+1.3 Q1	+4.6	+2.1	+3.8 Apr	-2.3

***Excerpts from Economic and Financial Indicators published by The Economist, June 16th, 2018.**

Sources: The Government Contractor (GC); Thomson Reuters Publishers; Federal Contracts Report, Bloomberg BNA, Bureau of National Affairs, Inc. (FCR); International Trade Reporter (ITR), International Trade Reporter Decisions (ITRD), TMIJ-Tax Management International Journal; IL – International Lawyer; FT – Financial Times; TE – The Economist Magazine; WSJ – Wall Street Journal; ILN/ABA-International Law News, American Bar Association; WorldECR; www.worldecr.com; London, England; Trade Security Journal (TSJ), London, U.K.

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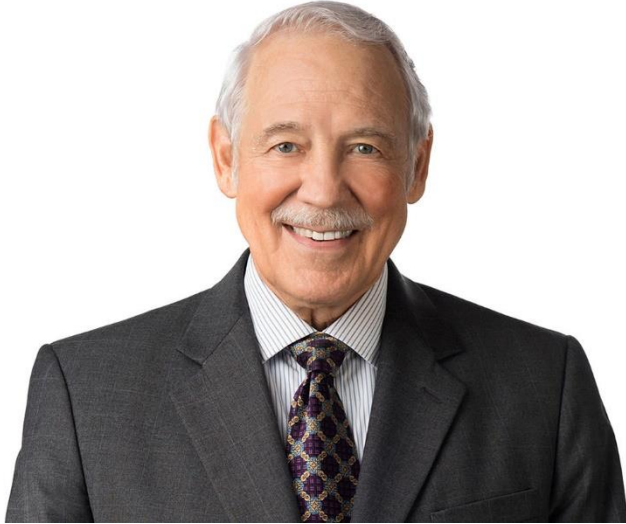
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