

2019

Volume 1, Issue 7

TRADE NEWS SNAPSHOT



P1

EAC Message

TPP Executive Director Trip to Philippines

New on @CBPTradeGov

CBP Trade in the News

P2

Section 301 Tranche 4 Implementation

New EAPA Final Determinations

CBP Issues Five Withhold Release Orders

New CSMS Messages



CBP.gov/trade

[@CBPTradeGov](https://twitter.com/CBPTradeGov)



The Office of Trade has had some significant accomplishments since the last issue of the Snapshot. OT worked to successfully implement the next round of Section 301 duties that went into effect on September 1. OT also released two final determinations under the Enforce and Protect Act (EAPA) that found significant evidence of AD/CVD evasion. Lastly, we issued five withhold release orders covering goods that CBP determined were produced through forced labor. Fiscal Year 2020 is already upon us, and as the leaves change color for many of us around the country, I look forward to continuing our important work during this new fiscal year.

-Brenda Smith, Executive Assistant Commissioner, Office of Trade



Office of Trade at the 23rd Meeting of the ASEAN Single Window Steering Committee in the Philippines

From September 10-12, John P. Leonard, executive director of Trade Policy and Programs within the Office of Trade, met with the Association of Southeast Nations (ASEAN) for the 23rd meeting of the ASEAN Single Window Steering Committee. During this meeting, JD Leonard provided a proposal on possible documentation sharing between the ASEAN Single Window (ASW)

and United States' Automated Commercial Environment (ACE). This collaboration could simplify and speed up the exchange of information and reduce opportunities for error and fraud.

ASEAN member states include Brunei, Cambodia, Indonesia, Lao, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. With a population in excess of 650 million and an economy of over \$2.5 trillion, ASEAN member states represent a key market for U.S. firms and is an important destination for U.S. foreign investment. As of 2018, trade between the United States and the ASEAN member states totaled \$272 billion or about 5% of total U.S. trade.

Overall, greater access to information would allow for better performance of risk-based assessments in customs enforcement actions and investigations. This will ensure greater security, protect revenue collection, and ensure low-risk legitimate trade can be facilitated at a faster rate. Eventually, this government-to-government data sharing could lower the cost of trade across the Pacific by exchanging trade documents through an expanded ACE/ASEAN Single Window.

After hearing JD Leonard's proposal, ASEAN member states were very receptive to the idea of information sharing. ASEAN member states will seek formal approval and begin to explore the legal framework for such an exchange. In the meantime, CBP will explore additional use cases related to information sharing that will benefit the U.S., all ten ASEAN nations, and traders. By collaborating with ASEAN member states to connect the ASW and ACE, CBP has a unique opportunity to further its mission of enabling legitimate trade, contribute to American economic prosperity, and protect against risks to public health and safety.

New on @CBPTradeGov

🐦 9/25/19: It's #SeeSayDay! Remember, If You See Something, Say Something. Reporting suspicious or illegal activity can help keep you and others safe. You can report suspected trade violations and other illegal activity to our e-allegations portal: <http://bit.ly/2Bq6rG0> #WhyISeeSay

🐦 10/1/19: Today, #CBPTrade Executive Assistant Commissioner Brenda Smith announced @CBP issued 5 new withhold release orders for good produced by #ForcedLabor, which are prohibited from import into the US. Details: <https://t.co/sySvpYMeHo>.

CBP Trade in the News

- ◆ [Tomato Truce: U.S. And Mexico Strike A Deal On Imports](#) – *NPR* – 8/21/19
- ◆ [US Commerce Slaps Fresh Duties on Mexican and Chinese Steel Goods](#) – *Yahoo Finance* – 9/6/19
- ◆ [CBP seeks to expand e-commerce pilot participation](#) – *American Shipper* – 9/16/19

The Trade News Snapshot is a monthly newsletter from the Office of Trade highlighting important programs, information, and updates for our trade partners and the public.

CBP Publication No. 0974-1019



Implementation of Section 301, Tranche 4

On August 20, 2019, the United States Trade Representative (USTR) published a Modification of Section 301 Action introducing additional tariffs on products of China with an annual trade value of approximately \$300 billion which is referred to as Tranche 4. On August 30, 2019, the USTR published Federal Register Notice for the Section 301 investigation by increasing the rate of additional duty from 10 to 15 percent for the products of China covered by Tranche 4.

- List 1 went into effect on September 1, 2019 with additional duty of 15 percent
- List 2 will be in effect on December 15, 2019 with additional duty of 15 percent

OT has executed the increased Section 301 tariffs for the first list of impacted goods under Tranche 4 of Chinese imports. For impacted goods entered, or withdrawn from warehouse for consumption, on or after 12:01 AM EDT on September 1, 2019, the additional duties are 15%. For additional information, see CBP.gov.



CBP Issues Five Withhold Release Orders

On October 1, CBP announced five Withhold Release Orders (WROs) covering five different products, imported from five different countries during a press conference and [live stream](#) from Headquarters in Washington, DC. This action was based on information obtained and reviewed by CBP that indicates that the products are produced, in whole or in part, using forced labor.

US law prohibits importing merchandise mined, produced or manufactured, wholly or in part, by forced or indentured child labor – including forced child labor. Such merchandise is subject to exclusion and/or seizure, and may lead to criminal investigation of the importer(s). When information reasonably but not conclusively indicates that merchandise has been produced using forced labor, the commissioner of CBP, or his proxy, may issue WROs.

“CBP is firmly committed to identifying and preventing products made with the use of forced labor from entering the stream of U.S. Commerce,” said Brenda Smith, executive assistant commissioner, CBP Office of Trade. “The effort put into investigating these producers highlights CBP’s priority attention on this issue. Our agency works tirelessly behind the scenes to investigate and gather information on forced labor in global supply chains,” she said.

The following WROs are effective immediately:

- Garments produced by Hetian Taida Apparel Co., Ltd. in Xinjiang, China; produced with prison or forced labor.
- Disposable rubber gloves produced in Malaysia by WRP Asia Pacific Sdn. Bhd.; produced with forced labor.
- Gold mined in artisanal small mines in eastern Democratic Republic of the Congo (DRC); mined from forced labor.
- Artisanal rough-cut diamonds from the Marange Diamond Fields in Zimbabwe; mined from forced labor.
- Bone black manufactured in Brazil by Bonechar Carvão Ativado Do Brasil Ltda; produced with forced labor.



EAPA Final Determination – No Substantial Evidence of Evasion – Newtrend USA

OT has completed a formal investigation under Title IV, Section 421 of the Trade Facilitation and Trade Enforcement Act of 2015, commonly referred to as the Enforce and Protect Act (EAPA). CBP finds that substantial evidence on the record does not show that Newtrend USA imported Chinese-origin glycine (covered merchandise) into the United States by transshipping covered merchandise through Thailand during the period covered by this EAPA investigation. See Notice of Final Determination at CBP.gov.

EAPA Affirmative Final Determination of Evasion – Transshipment of Diamond Sawblades

On September 17, OT issued a final determination of evasion in EAPA Case Number 7184 concerning the transshipment of diamond sawblades from China through Thailand to avoid required the required AD/CVD. To read more about this determination, please see the Final Determination at CBP.gov.

Latest Trade Federal Register Notices

- ◆ 84 FR 49115: [Requirement for Certificates of Export for Importations of Steel Products of the Republic of Korea](#)
- ◆ 84 FR 46749: [Modification and Clarification of the National Customs Automation Program Test Regarding Periodic Monthly Statements](#)
- ◆ 84 FR 52523: [Quarterly IRS Interest Rates Used in Calculating Interest on Overdue Accounts and Refunds on Customs Duties](#)

New Cargo System Messaging Service Updates

- ◆ #39826606 - [Drawback: Limited Modification Application Approvals for Rulings Under 1313\(b\)](#)
- ◆ #39997241 - [Eleventh Round of Products Excluded from Section 301 Duties \(Tranche 2\)](#)
- ◆ #39633022 - [Harmonized System Update 1915 created on September 3, 2019](#)
- ◆ #39522285 - [EPA HTS flags added to 12 tariff codes](#)

The Trade News Snapshot is a monthly newsletter from the Office of Trade highlighting important programs, information, and updates for our trade partners and the public.

CBP Publication No. 0974-1019