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U.S., UK Stop Approving Export Licenses for Russia

While the U.S. and other countries take measured steps to sanction Russia for its annexation of Crimea, the Bureau of Industry and Security (BIS) and the United Kingdom (UK) export control office have stopped approving licenses for exports to Russia. “All licenses regarding exports to Russia have been on hold since March 1, and we don’t know when that will change,” BIS Assistant Secretary Kevin Wolf told WTTL.

The UK has suspended all licenses and license applications for exports of defense and dual-use items to Russia that might help Russian forces in Ukraine. “The UK will now with immediate effect suspend all extant licences and application processing for licences for direct export to Russia for military and dual-use items destined for units of the Russian armed forces or other state agencies which could be or are being deployed against Ukraine,” UK Foreign Secretary William Hague told the House of Commons.

“We will also suspend licences for exports to third countries for incorporation into equipment for export to Russia where there is a clear risk that the end product will be used against Ukraine,” he added. “We encourage other European nations to take similar action,” he said. The U.S. State Department did not respond to a request for statement on U.S. defense licensing policy for Russia (see related story, page 4).

In fiscal 2013, which ended Sept. 30, 2013, BIS approved 1,832 licenses worth \$1.5 billion for exports to Russia. The top categories were: energetic explosives, \$798 million worth (ECCN 1A007); software, \$366.5 million (5D992 not controlled by 5D002); acoustics, \$60 million (6A001); rifle sights, \$33.4 million (0A987); and toxin precursors, \$28 million (1C350). Approval of licenses does not relate directly to actual exports.

CAFC Upholds Applying CVD, AD Orders to NMEs

The Court of Appeals for the Federal Circuit (CAFC) bowed – somewhat – to Congress and ruled March 18 that Commerce can apply both antidumping and countervailing duties on imports from non-market economies (NMEs) retroactively without violating the Constitution. The appellate court accepted the fact that legislation Congress enacted in 2012

to overturn the court's decision in *GPX Int'l Tire Corp. v. United States (GPX I)* gave Commerce authority to apply both remedies to certain cases that were pending before the law passed without having to prevent "double counting" of subsidies and dumping. Congress amended the Trade Act after the CAFC in *GPX I* ruled that Commerce couldn't apply both remedies without taking steps to avoid double counting.

The CAFC agreed with a decision by the Court of International Trade (CIT) that the legislation did not violate the Constitution's Article I, Section 9 prohibition on the passage of ex post facto laws (see **WTTL**, March 18, 2013, page 4). While the three appellate judges agreed on affirming the CIT ruling, they offered different justifications for their decision.

Judges Timothy Dyk and Raymond Chen concurred in a joint opinion written by Dyk, while Judge Kathleen O'Malley concurred in a separate opinion raising different arguments. Part of the disagreement between the two opinions was over whether *GPX I* still stands as a correct interpretation of the law at the time it was issued.

In *Guangdong Wireking Housewares & Hardware Co., Ltd., v. U.S.* the court decided the 2012 statute did not violate the ex post facto prohibition because the Trade Act is a civil statute that imposes remedial not punitive penalties. "The Supreme Court's standard for determining when a civil law can be deemed punitive is most clearly spelled out in the Court's decision in *Smith*," Dyk wrote. Based on the seven criteria set out in *Smith* for determining whether a law is punitive, the legislation Congress enacted to overturn *GPX I* was not punitive, he argued.

"There can be no serious question that Congress intended to create a civil remedy rather than impose punishment. The congressional intent behind the enactment of countervailing duty and antidumping law generally was to create a civil regulatory scheme that remedies the harm unfair trade practices cause," Dyk wrote. "Congress's decision to direct Commerce to adjust for double counting prospectively, but not retrospectively, does not undermine Congress's overarching remedial intent. Congress enacted the prospective adjustment provision to ensure that the United States complied with its WTO obligations," he noted.

Dyk said the court found only three cases where civil legislation imposed a punitive punishment. "In rare circumstances, the Supreme Court has held that a civil law violates the Ex Post Facto Clause because the law was punitive. So far as we have been able to determine, the Supreme Court has held a civil statute violates the Ex Post Facto Clause on three occasions and in no instance since 1878," he pointed out.

Dyk also used his opinion to take a dig at the trade law. "Indeed, if perfect proportionality were necessary to prevent a remedial duty from transforming into a punitive one, most trade laws would fall if applied retroactively since, as we have recognized in past cases, imperfections are a feature of trade law generally," he wrote.

Judge O'Malley disagreed with Dyk and Chen on whether the court should have ruled directly on the ex post facto application of the law rather than saying the law didn't trigger the issue. She also disagreed with them on whether *GPX I* still stands. In his opinion, Dyk drew a distinction between whether the legislation just overturned *GPX I* or vacated it. "We remain persuaded that our opinion in *GPX I* reflects the correct

interpretation of the Tariff Act at the time of the decision,” he wrote. “While it was lawful for Congress to change the relevant legislation while the *GPX* litigation was pending, it would not have been lawful for Congress to dictate to this court how to interpret the Tariff Act as it existed at the time of the *GPX I* litigation. Accordingly, the 2012 amendment does not nullify this court’s reasoning and conclusion in *GPX I*,” he declared. But Judge O’Malley said she agreed with the conclusions of her colleagues but disagreed on how the *ex post facto* issue was addressed.

“Because I believe the Act may not have changed the law and may only expose appellant to the same legal consequences it faced before passage of the Act, the *Ex Post Facto* Clause may not even come into play. I would either avoid this question, since it is not necessary to resolve the constitutional challenge before us, or address it directly and anew, in light of the entire and updated congressional record,” she wrote.

O’Malley also disagreed on the status of *GPX I*. “Because Congress could and did prevent *GPX I* from ever becoming a final judgment, I cannot agree with the majority that *GPX I* ‘still stands as a statement of the law at the time of its decision’,” she wrote.” “*GPX I* never became a judgment of this Court and should not be treated as if it did. The fact that we did not vacate the opinion does not give that opinion the force of law or make it precedential,” O’Malley argued.

China Rejects Pleas to Revise Its ITA Exclusions List

Frustrated World Trade Organization (WTO) members failed at a March 17 meeting in Geneva to get China to agree to revise the list of products it wants excluded from any revision to the Information Technology Agreement (ITA). Although talks on a new ITA were suspended in November, ambassadors to the WTO tried to use the meeting to put pressure on the Chinese to reduce its exclusion list. Chinese officials, however, refused to budge, claiming China is a developing country and needs the revenue from duties on these goods for its budget (see **WTTL**, Nov. 25, page 5).

Several ambassadors speaking at the meeting urged China to take the leadership to reach an ITA deal, noting its chairmanship this year of the Asia-Pacific Economic Cooperation Forum (APEC). They expressed hope that a meeting of APEC trade ministers in China in May would give impetus to a deal, as well as a meeting of APEC heads of state in November.

“As many of you know, the ITA was an important APEC initiative and has been an important APEC agenda item in recent years,” Deputy U.S. Trade Representative (USTR) Michael Punke told the meeting in his prepared statement. “China is the current chair of APEC. At a recent meeting in China, several APEC economies called for a successful conclusion of an ITA expansion deal in time for the meeting of APEC trade ministers in May. We think this is a doable goal and we encourage China, as host country, to exercise leadership in helping to achieve this,” he said.

China’s ambassador to the WTO Yu Jianhua rejected the pleas of his fellow ambassadors, contending China wouldn’t be the biggest beneficiary of an ITA deal even if it is the biggest manufacturer of these products because its goods are at the low end of the value chain. “The real benefits for China should not be overestimated or overstated,” he

was quoted by one source. Yu said it was reasonable for China to exclude some products from liberalization and to have longer periods to implement liberalization of others. He also claimed the list of products other countries have proposed for liberalizing is too long and other members need to share responsibility for a balanced deal. China has identified 150 products that it considers sensitive, of which 60 it wants excluded entirely from liberalization.

EU Producer, Chinese Reach Price Deal on Polysilicon Trade

U.S. polysilicon exporters, who recently got hit with antidumping (AD) and countervailing duty (CVD) penalties in China, will face a double disadvantage following a March 18 agreement between Germany's Wacker Chemie, AG, and China's Ministry of Commerce (MofCom) that will lift Beijing's AD and CVD orders on German polysilicon. Under the agreement, MofCom will suspend the orders on imports of the material in exchange for Wacker's agreement to sell the material at an agreed "minimum import price."

The Chinese imposed a final AD and CVD orders on U.S. polysilicon Jan. 20, setting AD margins at 53% to 57% and CVD margins at 0% to 2%. China initiated its cases against EU imports in November 2012 and in January issued its preliminary AD and CVD rulings on EU polysilicon. Wacker accounts for practically all polysilicon exports from the EU to China, which had a value of around 700 million euro in 2011, the EU reported. Polysilicon is a main ingredient in solar panels.

"I am very satisfied that China will not impose trade defence measures on European polysilicon exports. With this agreement, our industry will be able to pursue its operations in China where there is a substantial demand for high quality polysilicon," said EU Trade Commissioner Karel De Gucht in a statement. "The European Commission and the German Government have worked hand in hand over the last couple of months to strongly support Wacker Chemie AG in its negotiation for an economically viable minimum import price. I am confident the removal of this trade irritant will strengthen the EU – China bilateral relationship," he added. EU wine exporters reached a separate deal with China March 20 to end a Chinese antidumping investigation (see story page 9).

U.S., EU Inch Up Sanctions on Russia as More Expected

U.S. and European Union (EU) sanctions on Russia have so far failed to deter Moscow from annexing Crimea or calming fears that Russia will invade Eastern Ukraine to secure a land bridge linking it to the Crimean Peninsula. As the U.S. imposed new sanctions March 20 and the EU March 21, questions have been raised about how much further these measures can go before they start hurting U.S. and EU investors in Russia, European banks, and exporters to Russia.

Although U.S. trade with Russia remains relatively small compared to Europe, which is dependent on energy imports from Russia, many major U.S. firms have investments in Russia and have seen exports there increase in recent years (see tables page 5). After hitting just 11 Russians and Ukrainians with sanctions on March 17, President Obama upped the ante with the naming of 20 more Russian officials and oligarchs close to

Russian President Vladimir Putin plus Bank Rossiya, which purportedly is where Putin banks (see list on page 6). The EU added 12 more Russians to the 18 it previously sanctioned. The U.S. and EU actions block the funds on named parties and denies named individuals visas (see **WTTL**, March 10, page 2). “The world is watching with

Top 10 U.S. Exports to Russia 2013 (in millions)	
Civilian aircraft, engines and parts	\$1,943
Passenger cars	1,262
Drilling & oilfield equipment	404
Excavating machinery	384
Auto parts	338
Meat and poultry.	329
Industrial machines	329
Industrial engines	328
Plastic materials	305
Medical equipment	256

grave concern as Russia has positioned its military in a way that could lead to further incursions into southern and eastern Ukraine,” President Obama said March 20 in his announcement of the latest sanctions.

“For this reason, we’ve been working closely with our European partners to develop more severe actions that could be taken if Russia continues to escalate the situation,” he added. Additional actions could come when Obama meets with EU leaders in Brussels March 26.

Business community concern about these sanctions was raised in a statement issued March 21 by USA-Engage, an industry trade lobbying group. “U.S. commercial investment across sectors in Russia is substantial,

dwarfed only by the commercial interdependence between the EU and Russia,” it said. “The actual sanctions have been targeted, but the potential sanctions contemplated in the most recent Executive Order would do real damage to U.S. companies with no predict-

Top 10 U.S. Imports from Russia 2013 (in millions)	
Fuel oil	\$16,201
Crude	1,732
Other petroleum products	1,457
Fertilizers and pesticides	1,052
Nuclear fuel materials	1,017
Steel and ferroalloy materials	867
Iron and steel semifinished	771
Precious metals	511
Bauxite and aluminum	482
Fish and shellfish	327

able result regarding Russian responses. At least, however, the President’s orders remove any warrant for Congress to legislate sanctions, which would ipso facto foreclose diplomatic adaptability,” it added.

Meanwhile, the EU and Ukraine March 21 also signed the political provisions of the Association Agreement that former Ukraine President Yanukovich had rejected, precipitating the crisis in Ukraine.

“The European Union and its Member States are committed to sign the remainder of the Association Agreement and Deep and Comprehensive Free Trade Area, which together with the political provisions constitute a single instrument,” the EU Foreign Council said in a statement.

The council also urged the European Parliament to adopt the proposed temporary removal customs duties on Ukrainian exports to the EU (see **WTTL**, March 17, page 8).

Although U.S. exports to Russia in 2013 of \$11.2 billion and imports of \$27 billion were small compared to EU trade, several major firms have benefitted from trade with Russia since it joined the WTO in 2012. U.S. civilian aircraft makers, car firms, excavation equipment manufacturers, meat and poultry producers and energy-related companies are major exporters to Russia, while U.S. imports from Russia are concentrated in the energy, fertilizer, nuclear, steel, bauxite and precious metals sectors (see tables).

Foreign investment in Russia has also risen, with the companies from the U.S., Germany, France and Japan (in that order) being the top investors in the country. According to the

“Russia 2013 Attractiveness Survey” published by the accounting firm of Ernst & Young, the growth of the Russian markets for autos, energy, telecommunications, consumer goods and pharmaceuticals has attracted large foreign investments. With Russia likely to become the largest auto market in Europe, U.S., European and Japanese car firms,

Russians and Ukrainians Named as Specially Designated Nationals

FIRST LIST OF SDNs

AKSYONOV, Sergey Valeryevich	IVANOV, Sergei, Chief of Staff of the Presidential Executive Office
GLAZYEV, Sergey, Advisor to Presidential Putin	IVANOV, Victor Petrovich
KLISHAS, Andrei, Chairman of the Russian Federation Council Committee on Constitutional Law, Judicial and Legal Affairs and the Development of Civil Society	KOHZIN, Vladimir Igorevich
KONSTANTINOV, Vladimir Andreyevich, Crimea, Ukraine	KOVALCHUK, Yuri Valentinovich
MATVIYENKO, Valentina Ivanovna, Federation Council Speaker; Chairman of the Russian Federation Council	MIRONOV, Sergei Mikhailovich, Member of the Council of the State Duma; Leader of A Just Russia Party; Member of the State Duma Committee on Housing Policy and Housing and Communal Services
MEDVEDCHUK, Viktor	NARYSHKIN, Sergey Yevgenyevich
MIZULINA, Yelena, State Duma Deputy; Chairman of the State Duma Committee on Family, Women and Children	OZEROV, Viktor Alekseevich, Chairman of the Security and Defense Federation Council of the Russian Federation
ROGOZIN, Dmitry Olegovich, Deputy Prime Minister of the Russian Federation	PANTELEEV, Oleg Evgenevich, First Deputy Chairman of the Committee on Parliamentary Issues
SLUTSKY, Leonid, State Duma Deputy; Chairman of the Committee on Affairs of the Commonwealth of Independent States (CIS); First Deputy Chairman of the Committee on International Affairs; Chairman of the Russian World Fund Administration	ROTENBERG, Arkady
SURKOV, Vladislav Yurievich, Presidential Aide	ROTENBERG, Boris
YANUKOVYCH, Viktor Fedorovych, Ex-President of Ukraine	RYZHKOVA, Nikolai Ivanovich, Senator in the Russian Upper House of Parliament; Member of the Committee for Federal Issues, Regional Politics and the North of the Federation Council of the Russian Federation
	SERGUN, Igor Dmitrievich, Chief of the Main Directorate of the General Staff (GRU); Deputy Chief of the General Staff

SECOND LIST OF SDN

BUSHMIN, Evgeni Viktorovich, Deputy Speaker of the Federation Council of the Russian Federation; Chairman of the Council of the Federation Budget and Financial Markets Committee	TIMCHENKO, Gennady
DZHABAROV, Vladimir Michailovich, First Deputy Chairman of the International Affairs Committee of the Federation Council of the Russian Federation.	TOTOONOV, Aleksandr Borisovich, Member of the Committee on Culture, Science, and Information, Federation Council of the Russian Federation
FURSENKO, Andrei Alexandrovich, Aide to Putin	YAKUNIN, Vladimir, President of Russia Railways
GROMOV, Alexei, First Deputy Chief of Staff of the Presidential Executive Office; First Deputy Head of Presidential Administration; First Deputy Presidential Chief of Staff	ZHELEZNYAK, Sergei Vladimirovich, Deputy Speaker of the State Duma of the Russian Federation
	BANK ROSSIYA, St. Petersburg, SWIFT/BIC ROSY RU 2P

including Ford, GM, Nissan, Volkswagen, Toyota and Peugeot Citroen, have invested extensively in the country. The Ernst & Young report also cites major investments by

Alcoa, which has invested \$800 million in Russia, and Coca-Cola, which said it has invested \$3 billion. Other big foreign investors include Exxon-Mobil, ENI, Statoil, eBay, Dow Chemical, Emerson Electric, IBM and Unilever.

Although Russians hit by U.S. and EU sanctions brush off their impact, many Russian individuals and companies are very vulnerable to future sanctions because they have parked billions of dollars, perhaps over \$400 billion according to World Bank estimates, over-seas. The British Virgin Islands, with fewer than 28,000 residents, is the largest recipient of Russia offshore investment mostly in shell companies and bank accounts, followed by Cyprus, Netherlands, Malta and Gibraltar, according to Bank of Russia.

Marubeni Pays \$88 Million, Pleads Guilty to FCPA Charges

Another shoe has dropped in the case against Japanese trading company Marubeni Corporation for its role a multi-company scheme to bribe Indonesian officials to secure power contracts. The company pleaded guilty March 19 in New Haven, Conn., U.S. District Court to one count of conspiracy to violate the Foreign Corrupt Practices Act (FCPA) and seven counts of violating the FCPA. It agreed to pay an \$88 million criminal fine.

With the guilty plea, Marubeni admitted it paid bribes to officials, including a high-ranking member of the Indonesian Parliament and high-ranking members of Perusahaan Listrik Negara (PLN), the country's state-owned electricity company in exchange for assistance in securing a \$118 million power contract, known as the Tarahan project, for Marubeni and its French partner, Alstom Power. Sentencing is scheduled for May 15.

Murubeni previously paid \$54.6 million in January 2012 under a two-year deferred prosecution agreement (DPA) with Justice for bribing officials to win contracts to build liquefied natural gas (LNG) facilities on Bonny Island, Nigeria (see **WTTL**, Jan. 23, 2012, page 2). "The Tarahan conduct pre-dates the execution of Marubeni's 2012 Deferred Prosecution Agreement with the DOJ," Marubeni said in a statement March 20.

"Marubeni has undertaken extensive efforts to enhance its anti-corruption compliance program, and believes that its current program is robust and effective. Although the agreement reached with DOJ today does not require Marubeni to further engage a compliance consultant, Marubeni is taking this matter seriously and commits to continue to thoroughly implement and enhance its anti-corruption compliance program," it added.

Previously, four Alstom executives were charged with violating the FCPA in the Indonesia scheme and are awaiting trials or sentencing. Lawrence Hoskins, a former senior vice president in the Asia region for Alstom, was charged in a second superseding indictment in the New Haven court July 30, 2013 (see **WTTL**, Aug. 5, 2013, page 9). William Pomponi, a former executive of the company's Connecticut-based subsidiary, was also charged with Hoskins. Both men are awaiting trial.

Frederic Pierucci, a current Alstom executive, pleaded guilty July 29, 2013, to FCPA violations. Charges against him were unsealed in April 2013, along with a guilty plea by David Rothschild, a former vice president of regional sales at the Connecticut subsidiary, in connection with the bribery scheme. Both are awaiting sentencing.

Justice Won't Prosecute Buyout of Foreign Official's Stock

Trying to get out of a business deal by buying out a former partner, who is now a foreign government official, would not warrant enforcement of the Foreign Corrupt Practices Act (FCPA), Justice wrote in its latest FCPA Advisory Opinion issued March 17 (No. 14-01). The department gave this advice in response to a 2013 request from the shareholder of a foreign financial services company who had contracted to purchase the remaining minority interest of a foreign businessman who was appointed to a senior government position in the foreign country.

In March 2007, the original requestor, through a wholly owned subsidiary, "purchased a majority interest in Foreign Company A, which was founded and owned by Foreign Shareholder, several special purpose vehicles under his control, and another businessman," the advisory noted. In December 2011, the foreign shareholder "was appointed to serve as a high-level official at Foreign Country's central monetary and banking agency," which is responsible for bank and financial industry regulation and monetary policy, it explained.

In early 2012, the partners "commenced negotiations for Subsidiary to buy out Foreign Shareholder's minority interest," including paying the foreign shareholder a bonus for 2011, severance, and accrued pension contributions, Justice noted in the opinion. "Based upon all of the facts and circumstances, as represented by the Requestor, the Department does not presently intend to take any enforcement action with respect to the proposed buyout arrangement described in the Request," it wrote.

"With respect to indicia of corrupt intent, the proffered purpose of the payment is to sever the parties' existing financial relationship, which began before the Foreign Shareholder held an official position. Doing so would also avoid what would otherwise be an ongoing conflict of interest," Justice added.

While Justice said it would not pursue any enforcement action based on the current facts, it warned that if the situation changed, so would its decision. "This Opinion does not foreclose future enforcement action should facts indicative of corrupt intent (such as an implied understanding that Foreign Shareholder would direct business to Requestor or inflated earnings projections being used to induce Foreign Shareholder to act on Requestor's behalf) later become known," it said.

Watchdog Group Seeks Anti-Corruption Rules in TTIP

The European Union (EU) branch of Transparency International (TI-EU), an organization dedicated to fighting government corruption, wants a Transatlantic Trade and Investment Partnership (TTIP) to include transparency and anti-corruption provisions and has offered its own draft language for inclusion in the pact. TI-EU submitted its proposal to European TTIP negotiators March 5 before the most recent round of TTIP negotiations (see **WTTL**, March 17, page 6). The U.S. branch of TI has made similar recommendations in the past for adding anti-corruption language in the Trans-Pacific Partnership (TPP).

Although TI-EU doesn't cite examples of bribery, there have been whispered concerns in the business community about corruption in some EU countries. While most EU

members ranked high in the TI's 2013 Corruption Perception Index as nations with little corruption, the survey ranked others much lower, including Greece, Bulgaria, Italy, Slovakia, Czech Republic and Hungary.

Carl Dolan, director of TI-EU, told EU officials in an e-mail that there has been no assessment of the impact of including transparency and anti-corruption provisions in trade agreements. "There are, however, studies which show that enhanced government transparency improves the quality of governance and government accountability. Similarly, there are numerous studies to show that corruption distorts competition, produces bottlenecks in investment, heightens uncertainty and raises costs," he wrote.

The draft provisions call for TTIP language assuring transparency in government operations and procurement, including publication of rules and open administrative procedures. They also include requirements for the U.S. and EU to make bribery of government officials a crime with adequate penalties for violation. Enforcement of the U.S. Foreign Corrupt Practices Act and United Kingdom anti-bribery rules probably meet that standard but not all EU members do. The text also says both parties reaffirm their adherence to the Organization for Economic Cooperation and Development's Anti-Bribery Convention and "to its vigorous and comprehensive implementation and enforcement."

Also included would be a dispute-settlement process, if either party claims the other is failing to adequately enforce these rules. "Under the standard dispute settlement provisions, only government-to-government action is available; private parties would have no right to initiate dispute settlement. Consultation is the preferred mechanism though theoretically a dispute could be heard by an arbitral panel," Dolan explained.

Suggested language on a government procurement provision would require the U.S. and EU to adopt procedures to bar from government procurement indefinitely or for a specific time any supplier "determined to have engaged in fraudulent or other illegal actions in relation to procurement" and to make information on the supplier publicly available. It also would require winning suppliers for contracts over a level to be negotiated to "have a written code of ethics and conduct" and to "make a copy of the code available to each employee engaged in the performance of the contract." Suppliers would also be required to have "an ongoing business ethics awareness and compliance program" and "an internal control system."

EU Wine Industry Deal with Chinese Will Stop Trade Cases

A deal between EU wine exporters and a Chinese wine association will lead to the termination of Chinese antidumping and countervailing duty cases against European wine imports, the EU Commission announced March 21. As part of the agreement between the European Committee of Wine Companies (CEEV) and the Chinese Alcohol Drinks Association (CADA), the CEEV will provide technical cooperation and exchanges for the next two years and CADA will withdraw its complaint. Beijing launched the cases against EU wines in July 2013. This is the second deal in a week between EU and Chinese parties that has led to the termination of trade cases (see story page 4).

The commission said it provided responses along with EU wine firms to the Chinese Ministry of Commerce investigation, but was not directly involved in negotiating the

agreement between CEEV and CADA. The two associations launched a business-to-business dialogue in November 2013 while the investigation was underway, the EU said. “I welcome the amicable solution which has been found by the two industries. My expectation is that the question mark hanging over EU wine exports as a result of the Chinese investigation is now clearly resolved and this is very good news,” said EU Agriculture Commissioner Dacian Çiolos in a statement.

Under the agreement, the EU industry will provide technical assistance to the Chinese on winegrowing, experimental vineyards, mechanization, quality controls, marketing, wine tastings and the Geographical Indications. The Europeans will also host study visits, seminars and training for the Chinese. The Chinese industry will assist EU vintners to organize wine tastings in China, improve wine knowledge among Chinese consumers and promote the appreciation of wines and its culture, the EU said. Both parties will set up permanent information and communication exchanges, monitor the implementation of their cooperation, and collaborate at international level on advocacy activities aimed on improving market access conditions in third countries, it noted.

From 2007 to 2012, China’s wine market experienced very significant growth, the EU said. EU wine exports to China amounted to 764 million euro in 2012. Of that, 546 million euro (71%) came from France; 89 million euro (11.7%) from Spain; 77 million euro (10.1%) from Italy. Total EU wine exports were 8.865 billion euro, it said.

*** * * Briefs * * ***

IRAN: OFAC March 20 issued Iran General License G authorizing student academic exchange agreements with universities in Iran “related to undergraduate or graduate educational courses, and to engage in all activities related to such agreements, including, but not limited to, the provision of scholarships to students enrolled in Iranian universities to allow such students to attend U.S. academic institutions.” GL G also authorized export of services, including provision of online courses, student application and tuition processing and recruitment of teachers in Iran.

PULUNGAN: Doli Syarief Pulungan’s effort to get compensation for false prosecution will keep going, as a March 31 hearing on his plea was postponed because he hasn’t received visa to come to U.S. from Indonesia. During telephone status update Feb. 28, his attorney, Gregory Everts, “advised the court that no decision has been made on plaintiff’s application for a visa but that he anticipates a decision within the next 30-60 days,” Madison, Wis., U.S. District Court Judge Barbara Crabb wrote March 4. Another telephone status call will be held April 30 “to discuss the status of plaintiff’s visa and to schedule a trial, if necessary,” Crabb noted. Court of Federal Claims Judge Thomas Wheeler rejected Nov. 21 Justice motion to have Pulungan’s suit for compensation thrown out, and he instead stayed case to give Pulungan another chance to get certificate of innocence from Madison court (see **WTTL**, Nov. 25, 2013, page 3).

USTR: Robert Strauss, who served as President Carter’s first USTR from 1977 to 1979, died March 19. He was 95. Strauss, who founded Akin, Gump, Strauss, Hauer & Feld law firm, has long been held up as paragon of what USTR should be: skilled negotiator who helped complete Tokyo Round of trade talks; close confidant of President Carter; and political insider, who as past chairman of Democratic National Committee, was able to get Congress to approve Trade Act of 1979, which implemented Tokyo Round deals. Strauss was second former USTR to die within two weeks. Ex-USTR Reubin Askew died March 11 (see **WTTL**, March 17, page 9).

ENVIRONMENTAL GOODS: USTR Michael Froman March 21 officially notified Congress of intent to enter into trade negotiations on environmental goods with 13 trading partners. He first announced initiative at Davos in January (see **WTTL**, Jan. 27, page 5).