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Mexico Given Green Light to Retaliate in Tuna Dispute

Mexico can impose retaliatory trade restrictions on U.S. imports up to \$163.23 million per year, a World Trade Organization (WTO) arbitrator determined April 25, because the U.S. failed to comply with an earlier ruling that U.S. “dolphin safe” labeling requirements ran counter to WTO rules.

Mexico originally requested Dispute Settlement Body (DSB) authorization to suspend concessions or other obligations to the U.S. for \$472.3 million annually, far higher than the maximum \$21.9 million the U.S. said Mexico could seek. In a statement the day of the ruling, Mexico said it will “immediately request the WTO Dispute Settlement Body to suspend benefits and, at the same time, initiate the domestic procedures necessary to enforce such suspension against imports of products” from the U.S.

This ruling applies to the modified tuna measures the U.S. adopted in 2013, not the additional modified measures it adopted in 2016 (see **WTTL**, June 27, 2016, page 3). Mexico will be required to terminate its retaliatory measures if the second round of compliance proceedings determines that the 2016 measures brought the U.S. into compliance. Under the second round, the compliance panel is expected to issue its final report to the parties by mid-July 2017. Mexico first initiated the dispute in 2008.

The determination “dramatically overstates the actual level of trade effects on sales of Mexican tuna caught by intentionally chasing and capturing dolphins in nets,” the U.S. Trade Representative’s office said in a statement. WTO rules do not provide for an appeal of the arbitrator’s decision.

U.S. Solar Manufacturer Files Global Safeguard Petition

Revealing the divide in the U.S. solar industry, Suniva, Inc. a manufacturer of solar cells based in Norcross, Ga. April 26 filed a global safeguard petition seeking relief from

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imports of crystalline silicon photovoltaic cells and modules at the International Trade Commission (ITC) under Section 201 of the Trade Act of 1974. Other solar producers were wary of potential remedies acknowledging the global inputs into the solar supply chain.

A week prior to filing the petition, Suniva filed for Chapter 11 bankruptcy citing the global competition. “The competition of the solar product market has become fierce in the United States (where Suniva principally operates its business) and the business of Suniva has been severely impacted due to the continuous import of solar modules from other photovoltaic manufacturers in southeast Asia at a decreasing cost,” its majority owner Hong Kong-based Shunfeng International Clean Energy Ltd noted in a statement April 17. Shunfeng agreed to acquire a majority share of Suniva in August 2015 for \$57.8 million.

Since the last time it was used was for steel imports in 2002, ITC published a factsheet on the basics of global safeguard investigations. For one, they “do not require a finding of an unfair trade practice such as under the U.S. countervailing duty law (a foreign subsidy) or the antidumping duty law” and are not country specific, the commission noted.

Potential remedies could last up to four years, and could include: a duty increase, imposition of a quota, imposition of a tariff-rate quota, trade adjustment assistance, or any combination of such actions, the ITC noted. “In addition, the Commission may also recommend that the President initiate international negotiations to address the underlying cause of the increase in imports or that he implement any other action authorized under the law that is likely to facilitate positive adjustment to import competition,” it added.

Other solar manufacturers denounced the petition. “While we have not had a chance to fully review Suniva’s petition to the [ITC], we strongly urge the federal government to find a resolution that bolsters the competitiveness of American solar cell and panel manufacturing, which employs approximately 2,000 people in the U.S., without erecting new trade barriers,” Abigail Ross Hopper, president and CEO of the Solar Energy Industries Association (SEIA), said in a statement.

“SEIA opposes any resolution that restricts fairly-traded imports of solar equipment through new tariffs or other barriers that endanger the livelihoods of the 260,000 American solar workers and their families living in every state in the Union,” she added.

Juergen Stein, U.S. president of SolarWorld, acknowledged unfair trade practices, especially by China, but was wary of such a petition. The company “will assess the case brought by Suniva but prefers that any action to be taken against unfair trade shall consider all parts of the U.S. solar value chain. We’re committed to helping to find a way that also considers the interests of other parties playing fair in the U.S. solar market,” Stein noted.

SolarWorld filed antidumping (AD) and countervailing duty (CVD) complaints at the ITC and the International Trade Administration (ITA) against these same products from

China and Taiwan in December 2013 (see **WTTL**, Jan. 6, 2014, page 5). The company has complained that China has circumvented the current AD/CVD orders it won against Chinese solar cells by offshoring production of the components to Taiwan.

Commerce Launches Section 232 Investigation on Aluminum Imports

For the second time in two weeks, President Trump April 27 ordered Commerce to investigate the national security implications of a major U.S. import under the little-used Section 232 of the Trade Expansion Act of 1962, this time on aluminum imports. The White House cited the same authority the week prior when it ordered an investigation of whether steel imports compromise national security (see **WTTL**, April 24, page 2).

Global markets for aluminum products are distorted by excess capacity resulting from unfair foreign government subsidies, the White House noted. “The artificially low prices caused by excess capacity and unfairly traded imports suppress profits in the American aluminum industry, which discourages long-term investment in the industry and hinders efforts by American aluminum producers to research and develop new and better grades of aluminum,” read the presidential memorandum. It did not mention China, but in supplemental information Commerce identified the Asian country as a primary distorter.

“U.S. imports of aluminum increased by 18% in 2016 compared with those in 2015, while at the same time U.S. production decreased. Eight U.S.-based smelters have either closed or curbed production since 2015. Only two U.S. smelters remain fully operational,” said Commerce Secretary Wilbur Ross in a statement. U.S. imports of semi-fabricated aluminum products from China grew 183% between 2012 through 2015, he added.

The Aluminum Association (AA), whose member companies represent the majority of U.S. aluminum production and fabrication, said it supports Trump’s call for action. “This action recognizes the value of U.S. aluminum industry, its full growth potential and its ability to compete successfully in the global marketplace. We look forward to continuing our work with the administration to ensure that global trade actions take into account the entire aluminum value chain and our more than 161,000 workers” in the U.S., said AA President and CEO Heidi Brock in a statement.

Unions that represent U.S. and Canadian steelworkers urged the administration to exclude Canada from both the aluminum and steel investigations. “Depending on the outcome of the administration’s 232 investigation, any action should be focused on those countries that are actually breaking the rules. Canada should be excluded from any potential trade actions in this sector,” United Steelworkers President Leo W. Gerard said in a statement. “In steel, like aluminum, Canada is not the problem. In fact, in steel, the U.S. has a generally balanced trade relationship with Canada,” he added (see related story, next page).

Canada-U.S. Trade Relationship Has “Bad Week”

In the words of Commerce Secretary Wilbur Ross, “it has been a bad week for U.S.-Canada trade relations.” On April 24, Commerce announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of Canadian softwood lumber. President Trump and Canadian Prime Minister Justin Trudeau also discussed an ongoing dairy dispute.

Commerce calculated preliminary subsidy rates for five mandatory respondents: Canfor Corporation (20.26%); J.D. Irving, Limited (3.02%); Resolute FP Canada, Ltd. (12.82%); Tolko Marketing and Sales Ltd. and Tolko Industries Ltd. (19.5%); and West Fraser Mills, Ltd. (24.12%). Commerce established a preliminary subsidy rate of 19.88% for all other Canadian producers/exporters.

The U.S. and Canada had been trying to reach an agreement since the 2006 Softwood Lumber Agreement (SLA) expired in October 2015. In February, the Canadian government created a Federal-Provincial Task Force on Softwood Lumber to address the impacts of no new deal (see **WTTL**, Feb. 27, page 6).

Commerce will make its final determination Sept. 7, but Customs was ordered to collect the tariffs immediately. Commerce also determined that since critical circumstances exist, “certain companies will be subject to the retroactive collection of cash deposits.”

One trade source told **WTTL** the rulings, especially the “critical circumstances” finding, are “politically motivated to maximize pressure on the Canadian industry by collecting a lot of cash for a potential ransom and starving the Canadian companies into submission for a deal.”

In 2016, imports of softwood lumber from Canada were estimated to be \$5.66 billion, according to Commerce numbers. The petitioner is the Committee Overseeing Action for Lumber International Trade Investigations or Negotiations (COALITION), which represents several U.S. lumber organizations

Lumber is not the only thorn in the U.S.-Canada trade relationship in the “bad week.” Trump has recently taken to criticizing the price lowering on some milk products, including ultra-filtered milk used in cheese production, instituted by Canada’s largest province. The lower prices have hurt demand for American imports, which the president noted in a recent stop in Wisconsin and tweeted about earlier in the week.

“Last Monday, it became apparent that Canada intends to effectively cut off the last dairy products being exported from the United States. Today, in a different matter, the Department of Commerce determined a need to impose countervailing duties of roughly one billion dollars on Canadian softwood lumber exports to us. This is not our idea of a properly functioning Free Trade Agreement,” Ross said in a statement April 24. Trump also threatened to withdraw from NAFTA, but then reversed course (see Briefs, page 10).

Former Agriculture Secretary Tom Vilsack, who now heads the U.S. Dairy Export Council, complimented Trump's strong language in a recent television interview. Canada shouldn't be allowed to "change the rules on [the U.S.] in the middle of the game," he said.

Following a phone call between Trump and Trudeau April 25, the White House released a two-sentence readout: "President Donald J. Trump and Prime Minister Justin Trudeau spoke today. The two leaders discussed the dairy trade in Wisconsin, New York State, and various other places. It was a very amicable call."

Trudeau's official readout was significantly more detailed. The two leaders "reaffirmed the importance of the mutually-beneficial Canada-U.S. trade relationship. On the issue of softwood lumber, the Prime Minister refuted the baseless allegations ... and the decision to impose unfair duties. The Prime Minister stressed that the Government of Canada will vigorously defend the interests of the Canadian softwood lumber industry, as we have successfully done in all past lumber disputes with the U.S. The two leaders agreed on the importance of reaching a negotiated agreement, recognizing the integrated nature of the industry between Canada and the United States," it read in part.

Trudeau noted that the Canada-U.S. dairy trade "heavily favors" the U.S. with Canada importing over \$550 million of dairy products from the U.S. and exporting just \$110 million to the U.S. Trudeau also said Canada upholds its trade obligations, including NAFTA, "under which the U.S. continues to have duty-free and quota-free access for milk protein substances, including diafiltered milk." The prime minister said Canada would continue to defend its interests.

Lighthizer Moves Toward Full Senate Vote

After several delays, Robert Lighthizer, President Trump's nominee for U.S. Trade Representative (USTR), passed unanimously through the Senate Finance Committee April 25. The committee also unanimously backed a resolution waiving certain provisions of the Trade Act of 1974. The waiver is for lobbying Lighthizer engaged in on behalf of Chinese companies in the 1990s and the Brazilian government in 1985, a position that required him to register as a foreign agent. Full Senate confirmation of both the nominee and the waiver is expected in the coming weeks.

Aside from the waiver dispute, the vote was held up by a desire to link Lighthizer's confirmation with a miners' benefits bill (see **WTTL**, April 10, page 5). The continuing resolution (H.J. Res. 99) -- the stopgap measure Congress passed April 28 -- amends the Surface Mining Control and Reclamation Act of 1977 to extend through May 5. Committee Chairman Orrin Hatch (R-Utah) and his Democratic counterpart Ron Wyden (Ore.) were able to strike a deal Monday on miners' benefits that paved the way for Lighthizer's vote.

"Congress established the USTR as the primary official responsible for developing and executing U.S. trade policy, and I am pleased the Committee favorably reported Bob

Lighthizer after months of unprecedented and unrelated demands. With today's vote, we are one step closer to advancing a strong trade agenda that benefits American businesses, and consumers, and protects U.S. intellectual property rights abroad," Hatch said in a statement after the committee vote. Sen. Joe Manchin (D-W.Va.) who was a driving force for coal miners' benefits, thanked the committee and noted that he doesn't oppose Lighthizer, but said it was important for Congress to provide permanent benefits to coal miners. Manchin went on to vote for the stopgap measure.

USTR Keeps China on Priority Watch List

China remained on the U.S. Trade Representative's (USTR) Priority Watch List as part of the 2017 Special 301 Report on Intellectual Property (IP) Rights published April 28. India was also on the Priority Watch List for "lack of measurable improvements to its IP framework," as was Indonesia for lack of IP protection and enforcement. In all, 11 countries were listed on the Priority Watch List and 23 on the Watch List, the same 34 countries as in the 2016 report.

"China is home to widespread infringing activity, including trade secret theft, rampant online piracy and counterfeiting, and high levels of physical pirated and counterfeit exports to markets around the globe. China imposes requirements that U.S. firms develop their IP in China or transfer their IP to Chinese entities as a condition to accessing the Chinese market," states the report.

The report scolded India for making it difficult for innovators to receive patents (particularly for pharmaceuticals and software), insufficient IP enforcement, poor copyright policies, and outdated trade secrets legal framework. The report pointed to draft policies that could negatively affect the commercialization of biotechnology among new and growing concerns. Indonesia's revisions to patent law also raised concerns.

Rounding out the Priority Watch List are: Algeria, Argentina, Chile, Kuwait, Russia, Thailand, Ukraine and Venezuela (see **WTTL**, March 13, page 4). Countries on the Watch List are: Barbados, Bolivia, Brazil, Bulgaria, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, Egypt, Greece, Guatemala, Jamaica, Lebanon, Mexico, Pakistan, Peru, Romania, Switzerland, Turkey, Turkmenistan, Uzbekistan and Vietnam.

No country was named a Priority Foreign Country. USTR completed out-of-cycle reviews for Pakistan and Spain with no change in status since the 2016 Report and will conduct reviews with Colombia, Kuwait and Tajikistan.

U.S. industry groups were quick to applaud the report. "IP enforcement is not a concession that countries make to one another; rather, it is an investment in economic development and growth. By denying the economic opportunities afforded by a strong IP model, these countries are ultimately doing their own citizens the greatest disservice," U.S. Chamber Executive Vice President of the Global Intellectual Property Center Mark Elliot said in a statement.

“Countries highlighted in the 2017 Special 301 Report are preventing innovators from securing patents, enforcing patents and protecting regulatory test data. India and Indonesia do not even provide patents for many kinds of new medicines. Canadian courts have struck down patents on 25 medicines that have benefitted Canadian patients and enjoy patent protection in many other countries around the world. Colombia fails to value and protect innovation and is slowing the launch of new medicines by delaying review of biopharmaceutical patents,” PhRMA Vice President Jay Taylor said in a statement.

“Eliminating market access barriers and promoting effective intellectual property protection is critical to allow BSA members and other U.S. companies to continue innovating, creating jobs, and fueling the U.S. economy,” said Victoria Espinel, president and CEO of BSA | The Software Alliance. “We urge USTR to leverage the Special 301 and all other available tools to achieve these goals, which is consistent with the Administration’s recently released 2017 Trade Policy Agenda,” Espinel added.

Confidence in Trading System Hinges on Stemming Overcapacity

Trade officials and executives are directing outreach, proposals and pressure at excessive production capacity from undue Chinese government influence, a rise in uncertainty after the expiry of a provision in that country’s accession protocol and the start of World Trade Organization (WTO) litigation.

Ongoing WTO legal proceedings will “likely have broad implications for the global trading system” and the many countries that use a non-market economy (NME) methodology, Terry Stewart, managing partner of law firm Stewart and Stewart, told executives and officials April 26 at an event in Geneva. In October a WTO Dispute Settlement Body (DSB) panel found fault with the way the U.S. determined antidumping duties on Chinese goods (see **WTTL**, Oct. 24, page 1).

One question is whether WTO members can continue to apply NME methodologies in antidumping proceedings involving Chinese imports after Dec. 11, 2016, when a provision on NME treatment in its WTO accession expired, Stewart said. No one, including China, seriously believes China is in fact a market economy, he noted. The result of dispute proceedings will have much to do with the level of support for talks on further liberalization, Stewart said.

The U.S., Mexico, Canada, the European Union (EU) and Japan are ramping up efforts to reel in overcapacity, a trade official suggested, referring to talks in the WTO Committee on Subsidies and Countervailing Measures (SCM) and other WTO meetings the week of April 24. The call for “stronger subsidy disciplines” to stem oversupply gathered strength this year, he suggested.

A sharp recent rise in the number of new antidumping investigations was due mainly to overcapacity in emerging markets, especially China, a trade official said after the April 27 meeting of the WTO Committee on Anti-dumping Practices. Eighteen of 22 antidumping

reports targeted China, the U.S. told the meeting. China pushed back on perceptions of overcapacity, adverse government intervention and injury. Market forces must be allowed to do their thing, China said.

Governments often identify strategic industries and systematically provide support to boost production and meet employment, domestic or strategic goals, the U.S., Canada, the EU and Japan told the April 25 SCM Committee meeting, specifically referring to steel, aluminum and solar panels. “An alarming 65%” of WTO members “failed” to make legally required notifications in 2015, they said. They also raised concerns with deceptive practices and not notifying decentralized implementation of centrally formulated industrial policies.

The European Commission (EC) in November floated a proposal aimed at replacing China’s NME status with a different criteria that doesn’t target NME economies per se, but which would target “significant distortions” introduced by government practices or government-owned companies, a trade official told WTTL. The legislation is still under consideration.

During the WTO meetings, China, Russia, Pakistan, Indonesia, countries in the Gulf Cooperation Council and Kazakhstan raised concerns with the EU approach, a trade official said. One or two suggested the EU was rebranding non-market economies for the same treatment, he said. Russia specifically told the April 27 meeting of the Committee on Anti-dumping Practices the new criteria was another WTO-inconsistent measure.

The WTO should leave door open to use of non-standard methodologies for NME countries, Renaud Batier, vice chair of trade group Aegis Europe, told the event in Geneva. Use of the “non-standard” methodology should continue for imports from countries that do not fulfill the EU’s market economy criteria, Batier said. Ruling China a market economy will severely impact other WTO members, including the U.S., and may deeply undermine WTO legitimacy, Batier said.

Granting China market economy status before it meets required criteria would sap bipartisan U.S. support for a “positive” trade agenda from lawmakers who have backed the multilateral trading system, the WTO, and talks on other trade deals, Steve Claeys, a partner at WileyRein, said. U.S. policymakers remain very concerned about distortions caused by the Chinese economy, and the impact on the U.S., Claeys said.

*** * * Briefs * * ***

SYRIA: OFAC April 24 designated 271 employees of Syria’s Scientific Studies and Research Center (SSRC) in response to sarin gas attack three weeks before. SSRC is Syrian government agency “responsible for developing and producing non-conventional weapons and the means to deliver them,” agency noted. House Foreign Affairs Committee Chairman Ed Royce (R-Calif.) applauded action. I “will continue to work to advance bipartisan legislation that will give the White House additional leverage to hold Assad – as well as his Russian and Iranian backers –

accountable,” Royce said in statement. In March, Royce and Ranking Member Eliot Engel (D-N.Y.) reintroduced Caesar Syrian Civilian Protection Act (H.R. 1677) (see **WTTL**, March 27, page 3).

FCPA: Two former Magyar Telekom PLC executives –Elek Straub, former chairman and CEO, and Andras Balogh, former chief strategy officer – agreed April 24 to pay Securities and Exchange Commission (SEC) to settle charges of violating Foreign Corrupt Practices Act (FCPA) by bribing officials in Macedonia and Montenegro to win business. Straub agreed to pay \$250,000 penalty and Balogh \$150,000. Former executive Tamas Morvai agreed in February to pay \$60,000 to settle related charges (see **WTTL**, Feb. 20, page 6). Trial of Straub and Balogh was scheduled to start May 8 in Manhattan U.S. District Court.

EXPORT ENFORCEMENT: Lim Yong Nam, aka Steven Lim, was sentenced in D.C. U.S. District Court April 27 to 40 months in prison for charges related to illegal exports of 6,000 radio frequency modules from Minnesota company through Singapore to Iran, at least 16 of which were later found in unexploded improvised explosive devices (IEDs) in Iraq. He pleaded guilty Dec. 15 to conspiracy to defraud U.S. by dishonest means (see **WTTL**, Dec. 19, page 8). Lim was extradited from Indonesia in April 2016. He will be deported upon completion of his sentence, Justice noted.

MORE EXPORT ENFORCEMENT: Four Arizona residents were sentenced in Tucson, Ariz. U.S. District Court on charges of illegally exporting weapons including three rifles, two pistols, four rifle barrels, silencer, and at least 9,000 rounds of ammunition to Hong Kong in 2014. Peter Steve Plesinger and Irina Cvetkovic of Sahuarita were sentenced April 26: Plesinger to 87 months in prison and Cvetkovic to 10 months with credit for time served. Stephen Edward Smith of Tucson was sentenced April 14 to 102 months in prison. Both men had previously pleaded guilty to exporting munitions to Hong Kong, dealing firearms without license, and money laundering. Codefendant Earl Richmond got three years’ probation in same court in December 2016.

STILL MORE EXPORT ENFORCEMENT: Chinese national Fuyi Sun, aka Frank, pleaded guilty April 21 in Manhattan U.S. District Court to violating International Emergency Economic Powers Act (IEEPA). He was arrested April 13, 2016, in connection with scheme to illegally export Toray type M60JB-3000-50B carbon fiber to China without license (see **WTTL**, April 18, 2016, page 8). Sentencing is scheduled for July 26. Sun remains in custody.

PLEASE NO MORE EXPORT ENFORCEMENT: Fadi Yassine, Lebanese citizen, pleaded guilty April 12 in Cedar Rapids, Iowa, U.S. District Court to conspiracy to violate Arms Export Control Act in connection with Iowa family scheme to illegally export hundreds of firearms to Lebanon. He was arrested Feb. 6 (see **WTTL**, Feb. 13, page 8).

YES VIRGINIA MORE EXPORT ENFORCEMENT: Naum Morgovsky and Irina Morgovsky were charged in superseding indictment April 27 in San Francisco U.S. District Court with conspiracy to violate Arms Export Control Act for their roles in scheme to export components for production of USML night-vision rifle scopes, including image intensifier tubes and lenses, to Russia without State licenses. Indictment supplements September 2016 bank fraud charges against Naum Morgovsky and codefendant Mark Migdal.

NO SIR NO MORE EXPORT ENFORCEMENT: Two Russian nationals, Dmitrii Aleksandrovich Karpenko and Alexey Krutilin, were sentenced April 28 in Brooklyn U.S. District Court to time served on charges of illegally exporting controlled microelectronics, including digital-to-analog converters and integrated circuits, to Russian end-users without Commerce licenses. Both pleaded guilty in March to conspiracy to violate International Emergency Economic Powers Act. Scheme involved two U.S.-based front companies shipping items first to Finland and then to Russia.

Alexey Barysheff of Brooklyn, naturalized U.S. citizen, pleaded guilty March 21 to submission of false export information and is out on bond (see **WTTL**, March 27, page 6). Sentencing is set for June 16. Three were arrested in October. Karpenko and Krutilin agreed to immediate deportation back to Russia as part of sentence.

STEEL PIPE: In 5-0 “sunset” vote April 27, ITC said revoking antidumping duty orders on welded ASTM A-312 stainless steel pipe from Korea and Taiwan would renew injury to U.S. industry.

AIRCRAFT: Boeing April 27 filed antidumping and countervailing duty petitions at ITA and ITC against imports of 100- to 150-seat large civil aircraft from Canada. Montreal-based manufacturer Bombardier said in statement it is “closely reviewing the filing. Bombardier structures its commercial dealings to ensure compliance with the laws and regulations of the jurisdictions in which we operate, including those issues raised by Boeing,” it said.

BELARUS: Treasury April 28 issued General License 2C extending authorization of transactions with nine blocked companies in Belarus and any entities owned 50% or more by them until Oct. 30 (see **WTTL**, Oct. 24, 2016, page 6).

CABINET: Senate voted 87-11 April 24 to confirm Sonny Perdue as Agriculture secretary. Senate voted 60-38 April 27 to confirm Alex Acosta as Labor secretary. Acosta was nominated after fast food CEO Andrew Puzder withdrew himself as nominee (see **WTTL**, Feb. 20, page 6).

STATE: Heather Nauert named new State spokesperson April 24. Prior to appointment Nauert was N.Y.-based Fox News Channel anchor and correspondent, most notably on “Fox and Friends.”

EX-IM BANK: Senate Banking Committee Chairman Mike Crapo (R-Idaho) said April 26 he will support and hold hearings for President Trump’s nominees to Ex-Im Bank board, former Reps. Spencer T. Bachus III (R-Ala.) and Scott Garrett (R-N.J.). Garrett twice voted against Ex-Im reauthorization and may face opposition. Crapo’s predecessor Sen. Richard Shelby (R-Ala.) refused to hold confirmation hearings for previous administration’s nominees (see **WTTL**, April 24, page 8).

TTIP: EU Trade Commissioner Cecilia Malmstrom accepted award from Association of Women in International Trade in Washington April 24. “From the EU’s side, we would also need to clarify that both sides share an ambition to find solutions to difficult issues. And even apart from TTIP, it’s very important that we now create a constructive and ambitious transatlantic trade agenda going forward,” she said in acceptance speech. During two-day trip, Malmstrom met with Commerce Secretary Wilbur Ross, Senate Majority Whip John Cornyn (R-Texas), Senate Finance Committee Chairman Orrin Hatch (R-Utah) and Ranking Member Ron Wyden (D-Ore.).

NAFTA: Will he or won’t he? President Trump reversed course and will not withdraw from NAFTA after rumors that he was drafting executive order to do so. “The president has a great deal of respect for [Mexico and Canada] and their leaders, and he said that he would hold on the termination while we negotiate a better and fairer deal,” White House Spokesperson Sean Spicer said April 27. Agriculture industry groups immediately jumped on rumored withdrawal. AFL-CIO, which opposed deal, urged caution. “Before we move to withdraw from NAFTA, we should make a good faith effort to fix it,” said AFL-CIO Deputy Chief of Staff Thea Lee in statement.

KORUS: In media interviews April 27, President Trump also criticized U.S.-Korea Free Trade Agreement (KORUS), calling it “one-way street.” Citing upcoming review of deal, Trump said, “We’ve told them that we’ll either terminate or negotiate.” South Korea’s Trade Ministry reportedly said April 28 it does not intend to renegotiate.