



EIB World Trade Headlines

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Happy New Year 2012



Evolutions in Business
Announces
“2011 GINA Awards”

The Individual Award Winner:
Terri Rhatigan,
Senior Aerospace Metal Bellows (MA)

The Company Award Winner:
Columbia Technologies – a Coghlin Company (MA)

Honorable Mentions individual:

- *Geraldine St. Jean – Coghlin Companies – Columbia Tech (MA)
- *Richard Schulman – Coghlin Companies – Columbia Tech (MA)
- *Andrea Kokolis – General Kinetics – Active Shock (NH)
- *Patrick Kelly – General Kinetics – Active Shock (NH)
- *Mike Clarence – Metal Bellows – Senior Aerospace Co. (MA)
- *Susan Zilaro – Ulvac Technologies (MA)
- *Diane Hanley – Ulvac Technologies (MA)
- *Shane Smith – Helicomb International – Synchronous Aero. Grp (OK)
- *Josh Gruenwald – Brittain Machine – Synchronous Aero. Grp (KS)
- *Christine Vershon – Sterling Machine – Senior Aerospace Co. (CT)
- *Laurie Trimmer – Munters Corporation (MA)

Honorable Mention Corporate:

Senior Aerospace Metal Bellows, MA; Synchronous Aerospace Group, Helicomb International, OK; Synchronous Aerospace Group Brittain Machine, KS; Ulvac Technologies, Inc. MA

NEWSLETTER NOTES

- *“2011 GINA Awards”
- *Export.gov Posts Domestic Trade Shows
- *Export.Gov Posts Updated List of International Trade Shows
- * BIS and State Department Issue Proposed Rules to Revise USML Category VII
- *--Amendment to the International Traffic in Arms Regulations - Additional Method of Electronic Payment of Registration Fees--
- * USTR Posts Update on Implementation of FTAs with Korea, Colombia, and Panama
- * OFAC Creates On-Line Application for SDN and Blocked Persons Search
- * United States and European Union to Recognize Security Programs by July 2012

[Export.gov Posts Domestic Trade Shows](#)

(Shows through May 2012 below)

Feb 8-11, 2012 - International Builders' Show 2012 - Orlando, FL

March 8-11, 2012 - Natural Products Expo West/Supply Expo - Anaheim, CA

March 10-13, 2012 - International Home and House wares Show 2012 -Chicago, IL

April 1-5, 2012 -NPE 2012 International Plastics Showcase - Orlando, FL

April 30-May 3, 2012 - Offshore Technology Conference 2012 - Houston, TX

May 1-3, 2012 - Waste Expo 2012 - Las Vegas, NV

May 8-10, 2012 - International CTIA WIRELESS® 2012 Convention - New Orleans, LA

May 15-17, 2012 - ELECTRIC POWER 2012 - Baltimore, MD

[Export.Gov Posts Updated List of International Trade Shows](#) (Shows through March 2012 below)

Jan 15-17, 2012 - Intersec 2012 - Dubai, UAE

Jan 16-19, 2012 - World Future Energy Summit 2012 - Abu Dhabi, UAE

Jan 18-22, 2012 - ELECRAMA 2012 - Mumbai, India

Jan 23-26, 2012 - Arab Health 2012 - Dubai, UAE

(Continued above)

Jan 31-Feb 2, 2012 - Integrated Systems Europe (ISE) 2012 - Amsterdam, Netherlands

Jan 31- Feb 3, 2012 - Pacific 2012 - International Maritime Exposition - Sydney, Australia

Feb 14-19, 2012 - Singapore Air Show 2012 - Singapore

Feb 15-18, 2012 - BioFach 2012 and Vivanness 2012 - Nuremberg, Germany

Feb 23-25, 2012 - ACREX India 2012 - Bangalore, India

Feb 27-Mar 1, 2012 - Andina Link 2012 - Cartagena, Colombia

Mar 5-8, 2012 - Defense & Security 2012 - Bangkok, Thailand

Mar 6-10, 2012 - CeBIT 2012 - Hannover, Germany

Mar 6-8, 2012 - Expo Manufactura 2012 - Monterrey, Mexico

Mar 14-16, 2012 - Globe 2012 - Vancouver, Canada

Mar 19-21, 2012 - ISNR 2012 - Abu Dhabi, UAE

Mar 20-22, 2012 - Ecobuild 2012 - London, UK

Mar 26-29, 2012 - JEC Composites Show Paris 2012 - Paris, France

Mar 27-29, 2012 - ABACE 2012 - Shanghai, China

Mar 27-Apr 1, 2012 - FIDAE 2012 - Santiago, Chile

Mar 27-30, 2012 - MCE 2012 - Milan, Italy

Mar 28-31, 2012 - Made in America 2012 - Beirut, Lebanon

Census Posts Updated List of Export and AES Webinars - See Below

January 18-19, 2012 - Export Conference - Tampa, FL

January 26, 2012 - Export Conference - Washington, DC

March 7-8, 2012 - Export Conference - Savannah, GA

Registration forms & PDF Flyer for all seminars are hyperlinked within the notice.

Census notice: <http://www.census.gov/foreign-trade/aes/meetingsandpresentations/index.html#in-person>

State Department Posts Presentations from DTAG November Meeting

The State Department's Directorate of Defense Trade Controls (DDTC) posted the presentations, remarks, etc. from the Defense Trade Advisory Group's (DTAG's) November 2011 meeting. Three presentations were posted from private sector DTAG working groups on (i) the USML to CCL review, (ii) definition of public domain, and (iii) a draft single export license form. The written remarks from State Department Assistant Secretary Shapiro have also been posted. DDTC is charged with controlling the export and temporary import of defense articles and defense services covered by the U.S. Munitions List (USML). DTAG provides DDTC with a formal channel for regular consultation and coordination with U.S. private sector defense exporters and defense trade specialists on issues involving U.S. laws, policies, and regulations for munitions exports.

USML to CCL review presentation available here: http://www.pmddtc.state.gov/DTAG/documents/2011_DTAG_November_WG1Combined_20111103.ppt

Single export license working group presentation: http://www.pmddtc.state.gov/DTAG/documents/2011_DTAG_WG3single_form_presentation_07Nov2011.ppt

DTAG license matrix: [http://www.pmddtc.state.gov/DTAG/document/s/DTAGLicenseMatrixforProposedSingleDraftForm\(FINAL\).pdf](http://www.pmddtc.state.gov/DTAG/document/s/DTAGLicenseMatrixforProposedSingleDraftForm(FINAL).pdf)

(Continued above)

Definition of public domain working group presentation: http://www.pmddtc.state.gov/DTAG/documents/DTAG_9Nov11_Plenary_PublicDomainPresentation.ppt

In remarks to DTAG, Assistant Secretary Shapiro discussed the reasons for the State Department's advocacy of the U.S. defense industry abroad as (i) U.S. defense sales advance U.S. interests and support global partnerships, (ii) U.S. defense cooperation helps promote stability, (iii) such efforts support U.S. jobs, and (iv) a robust defense industrial base is critical to U.S. national security. Shapiro noted that the U.S. defense industry is also being supported by the President's Export Control Reform.

Assistant Secretary Shapiro's remarks: <http://www.pmddtc.state.gov/dtag/documents/DTAG%20AS%20Shapiro%20Remarks.pdf>

BIS and State Department Issue Proposed Rules to Revise USML Category VII

The State Department issued a proposed rule to revise U.S. Munitions List (USML) Category VII covering military ground vehicles and related articles; to narrow the articles controlled on the USML, and to make this list of items more positive. In addition, the Bureau of Industry and Security (BIS) is reproposing the creation of five new 600 series Export Control Classification Numbers (ECCNs) to control articles removed from Category VII that would instead be controlled by the CCL. BIS has adopted some of the recommendations in the comments to the July 2011 proposed rule and incorporated them into this reproposed rule. BIS notes it will continue to consider some of those comments and will make a decision whether or not to adopt their recommendations in any final rule concerning those new ECCNs. According to the State Department, it is also not proposing any tiering at this time, and is still developing its definition of "Specially Designed." Written comments on both proposed rules are due by 01/20/12.

State proposed rule (Public Notice 7702): <http://www.gpo.gov/fdsys/pkg/FR-2011-12-06/pdf/2011-30975.pdf>

BIS proposed rule (D/N 110310188-1621-02): <http://www.gpo.gov/fdsys/pkg/FR-2011-12-06/pdf/2011-30976.pdf>

Department of State 22 CFR Part 126
RIN 1400-AD00 [Public Notice 7708]

--Amendment to the International
Traffic in Arms Regulations - Additional
Method of Electronic Payment of
Registration Fees--

AGENCY: Department of State.

ACTION: Final rule.

SUMMARY: The Department of State is amending the International Traffic in Arms Regulations (ITAR) to identify the Federal Reserve Wire Network (FedWire) as another method of electronic payment of registration fees, so as to provide a choice in and facilitate the submission of fees by registrants.

DATES: This rule is effective December 6, 2011.

FOR FURTHER INFORMATION CONTACT:

Tanya A. Phillips, Office of Defense
Trade Controls Compliance, U.S.
Department of State, telephone (202) 632-2797,
or email

DDTCResponseTeam@state.gov. ATTN:
Registration—Additional Method of Electronic
Payment of Registration Fees.

Proposed Rules

As part of the President's Export Control Reform effort, the Department of State proposes to amend the International Traffic in Arms Regulations (ITAR) to revise Category VII (ground vehicles) of the U.S. Munitions List (USML) to describe more precisely the military ground vehicles warranting control on the USML. The Department of State will accept comments on this proposed rule until January 20, 2012. (See Homepage of DTC and click link

(Continued above)

The Department of State is proposing to amend the International Traffic in Arms Regulations (ITAR) to implement the Defense Trade Cooperation Treaty between the United States and Australia and the Defense Trade Cooperation Treaty between the United States and the United Kingdom, and identify via a supplement the defense articles and defense services that may not be exported pursuant to the Treaties. Additionally, the Department of State proposes to amend the section pertaining to the Canadian exemption to reference the new supplement, and, with regard to Congressional certification, the Department of State proposes to add Israel to the list of countries and entities that have a shorter certification time period and a higher dollar value reporting threshold. Comments will be accepted until December 22, 2011. (See Homepage of DTC and click link)

As part of the President's Export Control Reform effort, the Department of State proposes to amend the International Traffic in Arms Regulations (ITAR) to revise Category VIII (aircraft and related articles) of the U.S. Munitions List (USML) to describe more precisely the military aircraft and related defense articles warranting control on the USML. The Department of State will accept comments on this proposed rule until December 22, 2011. (See Homepage of DTC and click link)

Defense Trade Advisory Group Posts Notice Accepting Applications for Subject Matter Experts

The Defense Trade Advisory Group (DTAG) is accepting membership applications from subject matter experts from the U.S. defense industry, relevant trade and labor associations, academic, and foundation personnel. DTAG provides the State Department's Directorate of Defense Trade Controls (DDTC) with a formal channel for regular consultation with U.S. private sector defense exporters and defense trade specialists on issues involving U.S. laws, policies, and regulations for munitions exports. Applications must be postmarked by 12/15/11. The DTAG provides advice on the support and regulation of defense trade to help ensure that impediments to legitimate exports are reduced while the foreign policy and national security interests of the U.S. continue to be protected and advanced in accordance with the Arms Export Control Act (AECA). Major topics addressed by the DTAG include:

*policy issues on commercial defense trade and technology transfer;

*regulatory and licensing procedures applicable to defense articles, services, and technical data;

*technical issues involving the U.S. Munitions List (USML); and questions relating to actions designed to carry out the AECA and International Traffic in Arms Regulations (ITAR).

Members are appointed by the Assistant Secretary of State for Political-Military Affairs on the basis of individual substantive and technical expertise and qualifications, and must be representative of the U.S. defense industry and relevant associations, etc. DTAG members' responsibilities include:

*Service for a consecutive two-year term, which may be renewed or terminated at the discretion of the Assistant Secretary (membership shall automatically terminate for members who fail to attend two consecutive DTAG plenary meetings);

*Making recommendations in accordance with the DTAG Charter and the Federal Advisory Committee Act (FACA);

ITAR, and appropriate directives.

DTAG notice (FR Pub

11/25/11) <http://www.gpo.gov/fdsys/pkg/FR-2011-11-25/pdf/2011-30403.pdf>

Export-Import Bank Expecting Increase in Lending Limit

The Export-Import Bank of the United States expects an increase in its lending limit through a reauthorization bill making its way through Congress. The higher limit would be a significant benefit to companies seeking loans or loan guarantees to complete export transactions, reported John Hardy Jr., president of the Coalition for Employment through Exports. According to Hardy, the House and Senate should agree on a new quadrennial charter within the next few days. However, the legislation is likely to be included in an omnibus appropriations bill that Congress will pass before year's end. Hardy advised that "exporters are pushing hard for reauthorization. The Ex-Im Bank has been a centerpiece of the National Export Initiative (NEI)." While lawmakers agreed to raise the bank's loan limit above its current \$100 billion ceiling. Hardy notes it's uncertain how much higher the limit will be set, but it's likely to be below \$140 billion, the cap that's provided in the Senate version of the reauthorization bill. Ex-Im Bank estimates that U.S. industries create nearly 8,000 jobs for every \$1 billion in export loans. [www.joc.com\(12/02/11\)](http://www.joc.com(12/02/11))

ITA Issues FR Notice on Trade Mission to Afghanistan

The International Trade Administration (ITA) is organizing a business development trade mission to Kabul, Afghanistan in February 2012. Targeted sectors include: construction (including engineering, architecture, transportation and logistics, and infrastructure); mining (including equipment, technology, and services); agribusiness; and information and communications technology.

ITA advises that recruitment for the mission will begin immediately and conclude COB no later than 01/03/12.

ITA FR Notice: <http://www.gpo.gov/fdsys/pkg/FR-2011-12-07/pdf/2011-31424.pdf>

BIS Issues FR Notice Seeking Comments on Implementation of CWC and Effect on Schedule I Chemicals

Public comments are being sought by the Bureau of Industry and Security (BIS) on the impact that the implementation of the Chemical Weapons Convention (CWC) has had on commercial activities involving "Schedule 1" chemicals during calendar year 2011. In addition, BIS seeks public comments on whether the addition of salts of certain CWC "Schedule 1" chemicals (e.g., saxitoxin or nitrogen mustards) to the list of "Schedule 1" chemicals in the CWC Annex on Chemicals would impact any commercial activities. Finally, BIS is seeking public comments on whether any commercial chemical production activities in the U.S. could possibly involve the production of a "Schedule 1" chemical as an intermediate in the synthesis of other chemicals. Comments are due by 01/09/12. As explained, the CWC imposes certain obligations on countries that have ratified the Convention, among which are the enactment of legislation to prohibit the production, storage, and use of chemical weapons, and the establishment of a National Authority to serve as the national focal point for effective liaison with the Organization for the Prohibition of Chemical Weapons and other States Parties for the purpose of achieving the object and purpose of the Convention and the implementation of its provisions. BIS FR Notice: <http://www.gpo.gov/fdsys/pkg/FR-2011-12-09/pdf/2011-31690.pdf>

CBP Posts October Broker Test and Answer Key - Pass Rate 25%

U.S. Customs and Border Protection (CBP) reported that the pass rate for the October 2011 customs broker license exam was 25%. There were no problem questions. Approximately 1,500 persons took the exam in October. Those that passed the exam are eligible to apply for a customs broker's license.

October 2011 customs broker license exam and answer

key: http://www.cbp.gov/xp/cgov/trade/trade_programs/broker/broker_exam/exam_and_key_downloads/

USTR Posts Update on Implementation of FTAs with Korea, Colombia, and Panama

The Office of the U.S. Trade Representative (USTR) provided an update of its work with officials from Korea, Colombia, and Panama toward bringing the free trade agreements (FTAs) with those countries into force. USTR notice: <http://www.ustr.gov/about-us/press-office/press-releases/2011/december/update-implementation-free-trade-agreements-korea>

"Year's end is neither an end nor a beginning but a going on, with all the wisdom that experience can instill in us"

Hal Borland



Court of International Trade Rules Against CBP on Specificity in Protests (TELECOM)

In *Cisco Systems, Inc. v. U.S.*, the Court of International Trade (CIT) denied U.S. Customs and Border Protection's (CBP's) motion to dismiss challenges to its classification of "networking equipment" in protests filed by Cisco Systems, Inc. Customs argued that Cisco's protests were invalid because the use of the phrase "networking equipment" is too vague. However, the CIT stated that technical precision is not required in protests and that Customs could have sought more information from Cisco to evaluate its protests. As reported, between 2001 and 2002, Cisco entered merchandise into the U.S., which Customs liquidated under HTS subheadings 9013.80.90 and 9013.90.90 (4.5%) as other flat-panel liquid crystal displays (LCDs). Cisco protested Customs' classification of its merchandise. In its protest, Cisco described its merchandise as "networking equipment and parts thereof" and "networking equipment and parts thereof, including amplifiers and transponders for optical fiber systems." Between 2002 and 2003, CBP reliquidated those entries it could determine contained amplifiers, transponders, and/or dispersion compensation modules (DCMs), but denied 23 protests because it said Cisco's description of its goods as "networking equipment" was too vague and overly broad that it could not determine what other merchandise was being challenged. Before CBP ruled on Cisco's protests, Cisco filed amendments to a number of the protests, but Customs deemed these amendments untimely and did not consider them.

*Cisco then took its case to the CIT. The CIT found that Cisco had filed valid protests because they adequately specified the merchandise at issue, and therefore, the CIT has jurisdiction over the amended protests. Accordingly, the CIT denied Customs' motion to dismiss the case for the following reasons:

*Technical precision is not required in protests. Protests were sufficient to notify Customs of protest claims.

*Protests' amendments were not untimely.

*Customs' motion was filed after pleading closed.

Full details are posted for review. CIT notice (Slip Op. 11-140, 11/18/11)

http://www.cit.uscourts.gov/slip_op/Slip_op11/11-140.pdf

Export.Gov Posts Updated List of Trade Missions (December 2011 through May 2012):

Jan 30 - Feb 2 - Israel Space Trade Mission 2012 - Herzl a, Israel

Jan 30 - 31 - Security Trade Mission to Mexico - Mexico City, Mexico

Feb 1 - 2 - Security Trade Mission to Mexico - Monterrey, Mexico

Feb 13 - 17 - Aerospace Executive Service at Singapore Air Show - Singapore

March 18 - 22 - Unmanned Systems Israel 2012 - Tel Aviv, Israel

April 23 - 24 - Automotive Parts and Components Business Development Mission to Russia - Moscow, Russia

April 24 - 25 - Automotive Parts and Components Business Development Mission to Russia - St. Petersburg, Russia

April 26 - 27 - Automotive Parts and Components Business Development Mission to Russia - Samara, Russia

May 7 - 10 - U.S. Aerospace Supplier Mission to Canada - Montreal, Canada

BIS Posts Updated List of Export Control and Compliance Training Sessions

The Bureau of Industry and Security (BIS) posted an updated schedule for its export control and compliance training outreach efforts. These training seminars provide the opportunity to learn firsthand from experienced U.S. Government officials about export control policies, regulations and procedures. BIS also offers an extensive library of online training modules and pre-recorded webinars, which can be accessed and studied at will.

Jan 24-25 - Phoenix/Scottsdale, AZ - Complying with U.S. Export Controls

Feb 7-8 - New Orleans, LA - Complying with U.S. Export Controls

Feb 9 - New Orleans, LA - How To Develop An Export Management & Compliance Program

Feb 14-15 - Orlando, FL - Complying with U.S. Export Controls

Feb 16 - Orlando, FL - Complying with International Traffic in Arms Regulation (ITAR)

Feb 27-28 - Irvine, CA - 7th Annual Export Control Forum

March 6-7 - Birmingham, AL - Complying with U.S. Export Controls

March 8 - Birmingham, AL - Complying with International Traffic in Arms Regulation (ITAR)

March 14 - Shreveport, LA - Essentials of Export Controls

March 15 - Shreveport, LA - Technology Controls

March 16 - Shreveport, LA - Encryption Controls

March 15-16 - San Diego, CA - Complying with U.S. Export Controls

April 4-5 - Denver, CO - Complying with U.S. Export Controls

(Continued above)

April 17 (*EVOLUTIONS IN BUSINESS EXPECTS TO PARTICIPATE*) - Portsmouth, NH - Essentials of U.S. Export Controls

April 18 (*EVOLUTIONS IN BUSINESS EXPECTS TO PARTICIPATE*) - Portsmouth, NH - How To Develop an Export Management & Compliance Program

April 19 (*EVOLUTIONS IN BUSINESS EXPECTS TO PARTICIPATE*) - Portsmouth, NH - Complying with International Traffic in Arms Regulation (ITAR)

April 24-25 - Silicon Valley, CA - Complying with U.S. Export Controls

April 26 - Silicon Valley, CA - Encryption Controls

May 9-10 - Newport Beach, CA - Complying with U.S. Export Controls

June 14-15 - Seattle, WA - Complying with U.S. Export Controls

July – TBD - Washington, DC - Update Conference on Export Controls & Policy

Aug 8-9 - Universal City, CA - Complying with U.S. Export Controls

Aug 29-30 - Dallas, TX - How To Develop an Export Management and Compliance Program

Sept 12-13 - Cincinnati, OH - Complying with U.S. Export Controls

Sept 26-27 - Silicon Valley, CA - Complying with U.S. Export Controls

BIS notice:

<http://www.bis.doc.gov/seminarsandtraining/elsem.htm>

USTDA Posts List of Reverse Trade Missions

The U.S. Trade and Development Agency (USTDA) announced a series of "reverse" trade missions to the U.S. and worldwide conferences and workshops, which link U.S. businesses with foreign buyers. USTDA reports that these events are designed to showcase U.S. technologies and services that can help partner countries achieve their development goals.

Business briefings provide a platform for foreign delegates to present their upcoming procurement needs to U.S. businesses. A hallmark of USTDA-sponsored events is the one-on-one meeting, which allows U.S. companies and overseas project sponsors to discuss specific solutions to development challenges. The following USTDA trade missions, conferences, and workshops are scheduled:

Jan 21 - Feb 1, 2012 - East African Financial Integration Reverse Trade Mission - Washington, DC; New York City, NY; Silicon Valley, CA

Jan 22-31, 2012 - Latin America and Caribbean Regional Intelligent Transportation Systems Initiative - Colombian Delegation - Washington D.C., and Austin and Houston, Texas

Jan 30 - Feb 7, 2012 - Romania & Bulgaria Smart Grid Reverse Trade Mission - To be Determined

January 2012 - Turkey Intelligent Transportation Systems Reverse Trade Mission - To be Determined

Early 2012 - Egypt: Forward ICT Technical Workshop - Cairo, Egypt

Winter 2012 - East and Southern Africa Airspace Integration Reverse Trade Mission - Washington, DC; Miami, FL; Houston, TX

Spring 2012 - Thailand Rail Sector Modernization Reverse Trade Mission - Washington, D.C.; Erie and Grove City, PA; Lafayette and Muncie, IN; and Chicago, IL
USTDA notice: <http://www.ustda.gov/news/>

ITA Issues Notice on Healthcare Technology Mission to Mexico

The International Trade Administration (ITA) is organizing an executive-led healthcare technology policy and trade mission to Mexico City, for May 2012. This mission is intended to focus on a variety of U.S. suppliers of healthcare information technologies (IT), medical devices, and other medical technology. Recruitment for the mission will begin immediately and conclude no later than 03/09/12.

ITA notice: <http://www.gpo.gov/fdsys/pkg/FR-2011-11-29/pdf/2011-30684.pdf>

EU Posts Guidance Document on Naming Substances under REACH

The European Union recently issued the following trade-related releases:

The European Chemicals Agency has published a new guidance and updated a guidance fact sheet for manufacturers and importers on identification and naming of substances under the EU's REACH and CLP regulations.

http://echa.europa.eu/news/na/201111/na_11_51_corap_guidance_nutshell_en.asp

EU Posts Report on Declining Imports from United States

The European Union recently issued the following trade-related releases:

The U.S. was the EU's largest trading partner for both goods and services at the end of the first half of 2011. However, a steady decline in the share of the U.S. goods over the last decade was reported. In 2000, the U.S. accounted for 28% of the EU27 exports and 21% of imports. By 2010, these shares have fallen to 18% and 11%, respectively. Germany and the United Kingdom are the largest EU traders with the U.S.

<http://europa.eu/rapid/pressReleasesAction.do?reference=STAT/11/173&format=HTML&aged=0&language=EN&guiLanguage=en>

Canada Reduces Duty on Certain Sectors (Food Processing, Furniture, Equipment)

Canada's Minister of Finance announced further duty relief for Canada's manufacturers which will eliminate 70 tariff items and is expected to save Canadian businesses about \$32 million annually. The initiative eliminates customs duties on certain products used by Canadian businesses operating in a variety of manufacturing sectors including food processing, furniture and transportation equipment. More information is expected to be published in the Canada Gazette. Press release: <http://www.fin.gc.ca/n11/11-123-eng.asp>

EPA Issues Final Rule Amending GHG Reporting Rule

The Environmental Protection Agency (EPA) issued a final rule amending provisions of its 2009 Mandatory Reporting of Greenhouse Gases (GHG) final rule in order to correct technical and editorial errors that have been identified since promulgation; include additional information to clarify compliance obligations; correct data reporting elements so they more closely conform to the information used to perform calculations; and make other corrections and amendments. The final rule also allows a limited, one-time six month extension of the 2012 reporting deadline for certain facilities and suppliers. The final rule is effective 12/29/11.

EPA's October 2009 final rule requires the reporting of GHG emissions that could result from the combustion or use of fossil fuel or industrial gas that is produced or imported from upstream sources - such as fuel suppliers - as well as the reporting of GHG emissions directly emitted from downstream sources - such as facilities through their processes and/or from fuel combustion. The 2009 rule lists nearly 100 examples of the types of entities that could be affected by the reporting requirements such as suppliers (which includes producers, importers, or exporters in any supply category included in Table A-5); pulp and paper mills; petroleum refineries; fruit and vegetable canning facilities; meat processing facilities; etc. EPA contact - Carole Cook (202) 343-9263
EPA notice (FR Pub 11/29/11)
<http://www.gpo.gov/fdsys/pkg/FR-2011-11-29/pdf/2011-29742.pdf>

OFAC Creates On-Line Application for SDN and Blocked Persons Search

The Office of Foreign Assets Control (OFAC) recently released a new online application called, "SDN Search." This application provides an online interface to search the SDN list across several criteria. The results are viewable on-screen, are printable, and can be saved as a spreadsheet. OFAC explains:

*This SDN Search application uses literal character matching logic to identify exact matches between word or character "strings" exactly as entered into SDN Search, and any name or other information exactly as it appears on the SDN list.

*SDN Search will not detect misspellings or other incorrectly entered text, and will not return near matches to, or other variations of, the entered text.

*Use of this system implies understanding that searches performed by SDN Search are conducted at the user's own risk, and that the search results provided by SDN Search do not represent an official confirmation by the OFAC or the Department of the Treasury of the existence or absence of a match between any information entered by the user and any information contained on the SDN List.

*The use of SDN Search does not limit or excuse any liability for any act undertaken as a result of, or in reliance on, such use.

SDN Search available at:

<http://sdnsearch.ofac.treas.gov/>

OFAC notice: <http://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20111207.aspx>

United States and Canada Agree at Recent Meeting to Implement Stronger Border and Regulatory Action Plans

President Obama and Canadian Prime Minister Harper agreed to implement action plans for their Beyond the Border and Regulatory Cooperation Council initiatives (BTB Action Plan), which include:

- *mutual recognition of air cargo security programs;
- *harmonization of transborder advance data requirements for cargo;
- *a single window for importers to submit information;
- *harmonization of Customs-Trade Partnership Against Terrorism (C-TPAT) and Canada's Partners in Protection (PIP) programs;
- *coordination of border infrastructure; and
- *29 initiatives to align regulations.

Information on submitting comments to DHS on the BTB Action Plan and additional details on the BTB Action Plan: http://www.ofr.gov/OFRUpload/OFRData/2011-31598_PI.pdf

White House fact sheet:

<http://www.whitehouse.gov/the-press-office/2011/12/07/fact-sheet-us-canada-beyond-border-and-regulatory-cooperation-council-in>

Remarks by President Obama and Prime Minister Harper: <http://www.whitehouse.gov/the-press-office/2011/12/07/statements-president-barack-obama-and-prime-minister-canada-stephen-harp>

Canadian government press release:

<http://www.borderactionplan-plandactionfrontalier.gc.ca/psec-scep/news-communiqués-20111207.aspx?view=d>

Canadian summary of BTB Action Plan:

http://www.borderactionplan-plandactionfrontalier.gc.ca/psec-scep/bap_brief-paf_bref-dec2011.aspx?view=d

Mexico Posts Information on Trusted Shipper Program for Importers and Exporters

Mexico Customs (Aduanas) posted information on its recently rolled out trusted shipper program, Nuevo Esquema de Empresas Certificadas (NEEC), which builds on the existing trusted trader program for "Certified Companies" by adding minimum security requirements, tax obligations, etc. The program is currently being rolled out for importers and exporters, and Aduanas is expected to begin reviewing applications in January 2012. As reported, in addition to the 49 benefits under the existing "Certified Companies" program (such as the use of FAST lanes, fewer secondary inspections, etc.), Aduanas advises that the NEEC adds the following new benefits:

- *Streamlined customs clearance
- *Exclusive lanes
- *Use of non-intrusive inspection technology
- *Administrative simplification and facilitation
- *Personalized attention and extraordinary service (which are not defined)

To join the program, participants must submit an application, pay an application fee, and meet certain requirements. Companies that are members of the Customs-Trade Partnership Against Terrorism (C-TPAT) in the U.S. should not have difficulty meeting the NEEC security requirements, but must keep in mind that unlike C-TPAT, the Mexican program has a tax compliance component, is not open to those relatively new to international trade, and is more like the European Authorized Economic Operators (AEO) model in that it is meant for both importers and exporters. The minimum security standards under the NEEC are posted for review. Aduanas is expected to start reviewing the first applications for the NEEC program in January 2012. Aduanas intends to expand the NEEC program over time to other entities (e.g., highway carriers and customs brokers); however it is currently only being rolled out for importers and exporters.

Aduanas notice:

http://www.aduanas.gob.mx/aduana_mexico/2008/tramites/140_21436.html

EPA Issues Information on the Release of Confidential TSCA Chemical Information

The Environmental Protection Agency (EPA) announced that it is making available to the public hundreds of studies on chemicals submitted under the Toxic Substances Control Act (TSCA) that had formerly been treated as confidential business information (CBI). EPA advises that releasing the data will expand the public's access to critical health and safety information on chemicals that are manufactured and processed in the U.S. Since 2009, 577 formerly confidential chemical identities are no longer confidential and more than 1,000 health and safety studies are now accessible to the public that were previously unavailable or only available in limited circumstances. In 2010 EPA issued new guidance outlining the agency's plans to deny confidentiality claims for chemical identities in health and safety studies under the federal Toxic Substances Control Act (TSCA) that are determined to not be entitled to CBI status. Consistent with the guidance, the EPA will request that submitters voluntarily relinquish CBI claims and make studies available to the public.

EPA also challenged the chemical industry to make available information that was previously classified as CBI. To date, more than 35 companies have agreed to review previously submitted filings containing health and safety studies and determine if any CBI claims may no longer be necessary. To assist the public in retrieving chemical health and safety information submitted to EPA under TSCA, the newly available information can be found under a new "declassified tab" using the EPA's Chemical Data Access Tool, launched in December 2010.

http://java.epa.gov/oppt_chemical_search/.

Additional information posted by EPA:

<http://www.epa.gov/oppt/existingchemicals/pubs/transparency.html>

EPA notice:

<http://yosemite.epa.gov/opa/admpress.nsf/0/5B93EDA1F3EE7BBA852579510075728F>

USTR Issues FR Notices Seeking Comments on Canada, Japan, and Mexico Joining TPP

The Office of the U.S. Trade Representative (USTR) is seeking comments on the expression of interest by Canada, Japan, and Mexico to begin consultations with the Trans-Pacific Partnership (TPP) countries towards joining the TPP negotiations. USTR is assessing their interest in light of the TPP's high standards for liberalizing trade and specific issues of concern to the U.S. regarding barriers to agriculture, services, and manufacturing trade, including non-tariff measures, in the three countries. In conducting its assessment, USTR is seeking public comments on these concerns and all other elements related to Canada, Japan, and Mexico's interest in the TPP negotiations. Comments are due by 01/13/12. Currently, TPP negotiations include Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore, and Vietnam, as well as the United States. As reported, USTR invites interested persons to provide written comments on the following:

- *Treatment of goods;
- *Customs measures;
- *Competitiveness, supply chain efficiency;
- *Sanitary and phytosanitary (SPS) measures or technical barriers to trade (TBT) that should be addressed;
- *Service barriers;
- *Overall costs & benefits;
- *Electronic commerce;
- *IPR (intellectual property rights) issues;
- *Investment issues;
- *Competition -related matters;
- *Government procurement issues;
- *Environmental;
- *Labor; and
- *Relevant transparency issues.

White House Posts Information on Negotiations with the EU to Eliminate Trade Barriers and Enhance Cooperation

The White House reports that during the U.S.-EU Summit on 11/28/11, the two sides agreed to establish a High-Level Working Group on Jobs and Growth, which is tasked with identifying policies and measures to increase U.S.-EU trade and investment. They also agreed to step up cooperation on emerging technologies and continue work to avoid unnecessary divergence in regulations and standards. As reported, the High-Level Working Group on Jobs and Growth, which will be led by U.S. Trade Representative (USTR) Ron Kirk and EU Trade Commissioner Karel De Gucht, will examine options in areas including:

*Conventional barriers to trade in goods, such as tariffs and tariff-rate quotas;

*Reduction, elimination, or prevention of barriers to trade in goods, services, and investment;

*Opportunities for enhancing the compatibility of regulations and standards;

*Reduction, elimination, or prevention of unnecessary "behind the border" non-tariff barriers to trade in all categories;

*Enhanced cooperation for the development of rules and principles on global issues of common concern and also for the achievement of shared economic goals relating to third countries.

The Working Group is to report its recommendations and conclusions to Leaders by the end of 2012, with an interim report in June 2012 on the status of this work.

(Continued above)

The two sides also welcomed the Transatlantic Economic Council's (TEC's) progress in secure trade and supply chain security, electric vehicles and related infrastructure, regulatory practices, small and medium-sized enterprises (SMEs), and in the Information Communications Technology sector. They encouraged the TEC's continued leadership in helping avoid unnecessary divergence in regulations and standards. They also urged the TEC to step-up cooperation in key sectors such as nanotechnology and raw materials to develop compatible approaches to emerging technologies. In addition, they instructed the TEC to pursue its work on strategic economic questions in the field of investment, innovation policy, and the protection of intellectual property rights in third countries.

U.S.-EU fact sheet:

<http://www.whitehouse.gov/the-press-office/2011/11/28/fact-sheet-high-level-working-group-jobs-and-growth>

U.S.-EU Energy Council statement:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/126391.pdf

White House press release:

<http://www.whitehouse.gov/the-press-office/2011/11/28/joint-statement-us-eu-summit>

United States and European Union to Recognize Security Programs by July 2012

Recently officials from the European Union and the U.S. met at the Transatlantic Economic Council (TEC) where they agreed to mutually recognize each others' secure traders programs – the Authorized Economic Operator (AEO) in the EU and the Customs-Trade Partnership Against Terrorism (C-TPAT) in the U.S. – by July 2012. They also agreed to facilitate their customs procedures, strengthen cooperation on electric vehicle and smart grid research, raw materials, etc.

(Continued below)

Algirdas Semeta, the EU Commissioner for Taxation and Customs Union commented that mutual recognition will take effect no later than July 2012 after information technology systems are set up. He noted that when it becomes operational, mutual recognition will allow security certified operators in the EU and the U.S. to benefit from quicker and simpler customs procedures, reduced costs and time delays, less red tape, greater ease and predictability in the movement of their goods, and new trade opportunities. Semeta reported that the EU has 4,600 AEOs who stand to become more competitive as they and their U.S. trading partners will spend less time and resources on validation of their security standards. He noted that the 10,000 C-TPAT members will also have a much wider choice in certified counterparts, securing the supply chain from end to end. Participants of the Transatlantic Economic Council (TEC) also reviewed progress in creating new opportunities for jobs and growth through cooperation on regulation and innovation in key sectors.

Administration Posts Report on U.S. Economic Cyber- Theft (Most Originate in China and Russia)

The Office of the National Counterintelligence Executive (ONCIX) has published its 2009-2011 biennial report to Congress appraising the threat to the U.S. from foreign economic collection and industrial espionage.

The report finds that the pace of espionage activities against major U.S. corporations and government agencies is accelerating, with much of this activity appearing to originate in China and Russia. As reported, many countries view economic espionage as an essential tool in achieving national security and economic prosperity.

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Their economic espionage programs include computer network intrusions and exploitation of insider access to corporate and proprietary networks to develop information that could give these states a competitive edge over the U.S. and other rivals. Their economic espionage programs include computer network intrusions and exploitation of insider access to corporate and proprietary networks to develop information that could give these states a competitive edge over the U.S. and other rivals. Cyberspace makes it more difficult for victims and governments to assign blame by masking geographic locations; however, the report finds China and Russia are the most aggressive collectors of U.S. economic information and technology. ONCIX expects foreign attempts to collect U.S. technological and economic information will continue at a high level and will represent a growing and persistent threat to U.S. economic security, with the governments of China and Russia remaining aggressive and capable collectors of sensitive U.S. economic information and technologies. Although foreign collectors will remain interested in all aspects of U.S. economic activity and technology, ONCIX judges that the greatest interest may be in the following areas:

*Information and communications technology (ICT), which forms the backbone of nearly every other technology.

*Business information that pertains to supplies of scarce natural resources or that provides foreign actors an edge in negotiations with U.S. businesses or the U.S. Government.

*Military technologies, particularly marine systems, unmanned aerial vehicles (UAVs), and other aerospace/aeronautic technologies.

*Civilian and dual-use technologies in sectors likely to experience fast growth, such as clean energy and health care/pharmaceuticals.

The report also provides examples of recent thefts of corporate trade secrets with a link to China and Russia, examples of non-cyber methods of economic espionage, and a list of best practices in data protection strategies and due diligence for corporations. See report for full details. ONCIX press release:

http://www.ncix.gov/publications/reports/fecie_all/index.html ONCIX report:

http://www.ncix.gov/publications/reports/fecie_all/Foreign_Economic_Collection_2011.pdf

2009 report prepared for the U.S.-China Economic and Security Review Commission on China's capability to conduct cyber

warfare: http://www.uscc.gov/researchpapers/2009/NorthropGrumman_PRC_Cyber_Paper_FINAL_Approved%20Report_16Oct2009.pdf