

Trade & Manufacturing Alert

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Commerce Declares No "Free Pass" To Commit Fraud In Trade Cases

Trade remedies provide much needed relief to domestic industries battered by unfairly traded imports. But their effectiveness can be gravely undermined when exporters resort to deceit and outright fraud to skirt around antidumping orders. Last month, in the final results of an administrative review of lightweight thermal paper ("LWTP") from Germany, the Department of Commerce ("Commerce") made very clear that fraudulent activity will not be tolerated. [More »](#)

ITC Investigates Economic Impact Of Proposed Modifications To NAFTA Rules Of Origin

The U.S. International Trade Commission ("ITC") has initiated an investigation into the potential economic impact of proposed modifications to the North American Free Trade Agreement ("NAFTA"). The proposed modifications would amend the rules of origin that are applied to determine if a product qualifies to receive preferential tariff treatment pursuant to NAFTA. A broad range of products are affected, including edible preparations, mineral fuels, chemical products, plastics, rubber articles, cork, glass and glassware, base metals, machinery and parts, rail locomotives, trailers, optical and medical instruments, furniture, toys and games, lighters, and smoking pipes. Public comments on the proposed modifications are due by June 4, 2013. [More »](#)

Global Manufacturers, Encouraged By Low Energy Prices, Are Moving Production To The United States

Historically low energy prices in the United States -- particularly natural gas prices -- have provided incentives to European and other global manufacturers to expand their operations in the United States. Industry analysts attribute the price levels primarily to innovations in accessing previously uneconomical shale gas deposits through hydraulic fracturing ("fracking"). The International Energy Agency forecasts that the United States will overtake Russia as the world's largest natural gas producer by 2015. U.S. natural gas prices dropped to as low as a quarter of European prices during 2012. Natural gas prices in Asia are generally even higher than those in Europe. Access to lower-priced natural gas is especially

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appealing for manufacturers in energy-intensive industries such as steel and chemicals, because these manufacturers can use natural gas as both a raw material and a power source. According to forecasting firm IHS Global Insight, companies in the chemical-manufacturing sector alone are building U.S. plants worth an estimated \$95 billion. [More »](#)

Contacts

News Of Note

- **Analysis Of China's Industrial Policies Published** – The Brazilian Confederation of National Industries recently released a study of China's industrial policies prepared by King & Spalding. The study is available on the organization's [website](#). The study provides an in-depth look at Chinese government support programs for a number of industries at the national, provincial, and municipal levels. [More »](#)
- **China's Old Industrial Bases Receive Government Support For Revitalization** – Ten years after launching the *Northeastern Old Industrial Base Revitalization Strategy*, China decided to promote the Northeast's success nationwide. On March 18, the National Development and Reform Commission, China's premier industrial planning organ, issued the *National Old Industrial Base Adjustment and Renovation Plan (2013-2022)*, which establishes revitalization plans for 120 old industrial cities and districts. [More »](#)
- **USTR Announces Accomplishments In Reducing Trade Barriers** – On April 1, acting USTR Demetrios Marantis sent to President Obama the 2013 [National Trade Estimate Report on Foreign Trade Barriers](#) ("NTE"), the [Report on Sanitary and Phytosanitary Barriers to Trade](#) ("SPS Report"), and the [Report on Technical Barriers to Trade](#) ("TBT Report"). The reports review progress in 2012 and challenges for 2013 "to ensure a level playing field for U.S. goods and services in markets around the world." [More »](#)
- **Obama Notifies Congress Of Intent To Negotiate TTIP** – The Obama Administration notified Congress on March 20, 2013 of its intent to begin negotiations on a Transatlantic Trade and Investment Partnership ("TTIP") with the EU. In the Administration's [formal letter](#) to Congress, Acting USTR Demetrios Marantis emphasizes the primary objective of eliminating all tariffs, duties, and non-tariff barriers to trade in agricultural, industrial, and consumer products between the United States and the EU. [More »](#)
- **ENFORCE Act Introduced** – The Enforcing Orders and Reducing Customs Evasion Act of 2013 ("ENFORCE Act") was introduced in the House by Representatives Billy Long (R-MO) and Linda Sanchez (D-CA) on April 9, 2013. The ENFORCE Act addresses "duty evasion" in which foreign producers find ways to circumvent the payment of antidumping and countervailing duties. [More »](#)
- **Japan Seeks To Join TPP Negotiations** – Japan formally announced its desire to join negotiations for the Trans-Pacific Partnership ("TPP") free trade agreement on March 15, 2013. After conducting bilateral negotiations with Japan, all eleven TPP countries formally invited Japan to join the TPP negotiations on April 20, 2013. Including Japan, TPP countries will account for nearly one-third of all global trade and approximately 40 percent of the world's GDP. [More »](#)
- **President Obama Renews Call for Single Trade Agency In FY2014 Budget** – In line with his goal of doubling U.S. exports by 2015, President Obama reiterated his plan to consolidate various federal offices charged with facilitating international trade in his proposal for the fiscal year 2014 budget. The administration believes that combining the offices will eliminate redundancies, while simplifying interactions between domestic businesses and the myriad federal agencies. [More »](#)
- **The Anti-Manufacturing Forces In Washington** – Gilbert Kaplan, former President of the Committee to Support U.S. Trade Laws and King & Spalding international trade partner, published an article on April 25, 2013 in the Huffington Post entitled *The Anti-Manufacturing Forces In Washington*. The full article can be found [here](#). [More »](#)

If you have any questions or comments about any of the articles, please click [here](#).

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