

KING & SPALDING

# Trade & Manufacturing Alert

August 2015 | Print Issue 

## Services Take Center Stage in TiSA; Goods Sector Should Applaud

*Joseph A. Laroski Jr.*

With Congress preoccupied with the debate over whether to renew Trade Promotion Authority (TPA) (so-called "fast track" authority) and the merits of the Trans-Pacific Partnership (TPP), the negotiation of the Trade in Services Agreement (TiSA), which is also covered by TPA, has drawn scant attention over the past few months. Fifty-two World Trade Organization (WTO) members (with the European Union (EU) representing its 28 member states) concluded the twelfth round of TiSA negotiations in July with a stocktaking exercise to determine next steps.

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## Finalized Iran Nuclear Deal Outlines Changes for U.S. and EU Sanctions

*Shannon Doyle Barna*

On July 14, negotiators from Iran, the EU, and the P5+1 countries—China, France, Russia, the United Kingdom, the United States, and Germany—[announced](#) that they had reached a consensus on the final text of the Joint Comprehensive Plan of Action (JCPOA) with Iran. In exchange for Iran's commitment to scale back its existing nuclear operations and develop a commercial nuclear program for exclusively peaceful purposes, the remaining parties committed to gradually lift UN Security Council (UNSC) sanctions, multilateral sanctions, and national sanctions related to Iran's nuclear program. [More »](#)

## United States Extends Trade Preference Programs, Continues to Monitor South Africa's Compliance with Commitments on Imports of U.S. Chicken

*Clint Long*

On June 29, President Obama signed the [Trade Preferences Extension Act of 2015](#) and extended key preferential trade programs with many of the world's developing economies. These programs include the Generalized

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System of Preferences (GSP) and the African Growth and Opportunity Act (AGOA). Developing countries and U.S. companies both will benefit from the renewal of these programs. [More »](#)

- trade disputes are adjudicated effectively and efficiently"
- Twelve Communities Receive Federal Manufacturing Partnership Designation

Contacts

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## New Trade Legislation Includes Provisions to Combat Human Trafficking and Forced Labor

*Elizabeth Owerbach*

The June passage of Trade Promotion Authority (TPA) [legislation](#) included a provision designed to prevent the United States from making trade deals with governments who fail to do their part in combatting global human trafficking. The legislation stipulates that no trade agreements the United States makes with countries designated as Tier 3 on the State Department's Annual Trafficking in Persons Report (TIP Report) will benefit from "fast-track" congressional consideration under TPA. [More »](#)

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## Court Strikes Down Commerce's Methodology for Determining Country of Origin After Third-Country Finishing Operations

*Brian E. McGill*

In a July 2015 [decision](#), the Court of International Trade rejected the Department of Commerce's determination of country of origin in a high-profile scope proceeding involving unfinished Oil Country Tubular Goods (OCTG) products known as "green tubes" produced in subject country China, but finished in non-subject country Indonesia. *Bell Supply Company v. United States*, Slip Op. 15-73 (July 9, 2015). The court found that Commerce's use of the "substantial transformation" test to determine whether the finishing operations performed in Indonesia were sufficient to change the origin of the green tubes produced in China was contrary to the statute. The court reasoned that Congress, in creating anticircumvention provisions that addressed third-country processing, precluded Commerce from concluding that the finished OCTG was subject merchandise based on a substantial transformation analysis. [More »](#)

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## WTO Members Agree to Expand Scope of Information Technology Agreement

*Joshua M. Snead*

On July 24, the World Trade Organization (WTO) [announced](#) that 54 WTO members had reached a tentative agreement to expand the scope of the Information Technology Agreement (ITA) by adding [201 products](#), including new-generation semi-conductors, GPS navigation systems, medical products, machine tools for manufacturing printed circuits, telecommunications satellites, and touch screens. [More »](#)

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## News Of Note

- **The WTO Dispute Settlement System: "where international trade disputes are adjudicated effectively and efficiently"** – [Szymon Maziakowski & Marcus Sohlberg](#) – The World Trade Organization (WTO) Appellate Body (AB) has released its 2014 annual report highlighting its work and the disputes adjudicated in the previous year. [More »](#)
- **Twelve Communities Receive Federal Manufacturing Partnership Designation** – [Lauren M. Donoghue](#) – On July 10, U.S. Secretary of Commerce Penny Pritzker announced twelve newly-designated "Manufacturing Communities" as part of the second round of the Administration-wide "Investing in Manufacturing Communities Partnership" (IMCP) competition. [More »](#)

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

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