



# Trade Law Update

June 2024

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## HIGHLIGHTS FROM JUNE

### [Petition Summary: Vanillin from the People's Republic of China](#)

On June 5, 2024, Solvay USA LLC filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of Vanillin from the People's Republic of China.

### [Petition Summary: Certain Brake Drums from the People's Republic of China and Turkey](#)

On June 20, 2024, Webb Wheel Products, Inc. filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of Certain Brake Drums from the People's Republic of China and Turkey.

### [Dockworkers Up Ante as Freight Rates Soar](#)

Earlier this week, 159 trade associations representing key supply chain stakeholders sent a letter to the Biden administration and relevant congressional committees calling on the U.S. government to intervene in the stalled labor contract negotiations between the International Longshoremen's Association (ILA) and the United States Maritime Alliance (USMX). On June 10, the ILA issued a press release announcing its refusal to continue negotiations due to an outstanding dispute with a terminal operator involving one Gulf Coast port. The ILA has signaled its willingness to call for a coastwide strike if a new contract agreement is not reached prior to the expiration of the current contract, which covers roughly 45,000 dockworkers at seaports on the U.S. East and Gulf Coasts.

## U.S. DEPARTMENT OF COMMERCE DECISIONS

### Investigations

- Certain Glass Wine Bottles From the People's Republic of China: On June 3, 2024, Commerce issued its Preliminary Affirmative Countervailing Duty [Determination](#) and Preliminary Affirmative Determination of Critical Circumstances.
- Aluminum Lithographic Printing Plates From the People's Republic of China: On June 3, 2024, Commerce issued its Amended Preliminary [Determination](#) of the Less-Than-Fair-Value Investigation.
- Aluminum Extrusions From the Republic of Turkey: On June 5, 2024, Commerce issued its Amended Preliminary [Determination](#) of the Less-Than-Fair-Value Investigation.
- Boltless Steel Shelving Units Prepackaged for Sale From Malaysia, Taiwan, Thailand, and the Socialist Republic of Vietnam: On June 7, 2024, Commerce issued its Amended Final Affirmative Antidumping Duty [Determination](#) for Taiwan and Antidumping Duty Orders.
- Disposable Aluminum Containers, Pans, Trays, and Lids From the People's Republic of China: On June 12, 2024, Commerce issued its [Initiation](#) of Countervailing Duty Investigation.

- Antidumping Duty Order on Hydrofluorocarbon Blends From the People’s Republic of China: On June 12, 2024, Commerce issued its Final Affirmative [Determination](#) of Circumvention With Respect to R– 410A and R–407C From Malaysia.
- Disposable Aluminum Containers, Pans, Trays, and Lids From the People’s Republic of China: On June 12, 2024, Commerce issued its [Initiation](#) of Less-Than-Fair-Value Investigation.
- Brass Rod From the Republic of Korea: On June 13, 2024, Commerce issued its Amended Final Antidumping Duty [Determination](#).
- Fresh Garlic From the People’s Republic of China: On June 13, 2024, Commerce issued its Affirmative Final [Determination](#) of Circumvention of the Antidumping Duty Order.
- Mattresses From Cambodia: On June 13, 2024, Commerce issued its Notice of Court Decision Not in Harmony With the Amended Final [Determination](#) of Antidumping Duty Investigation; Notice of Amended Final Determination; Notice of Amended Antidumping Duty Order.
- Fresh Garlic From the People’s Republic of China: On June 18, 2024, Commerce issued its Affirmative Final [Determination](#) of Circumvention of the Antidumping Duty Order.
- Certain Crystalline Silicon Photovoltaic Products From the People’s Republic of China: On June 25, 2024, Commerce issued its Notice of Court Decision Not in Harmony With the Final Results of the Countervailing Duty Administrative Review; Notice of Amended Final [Results](#).
- Ferrosilicon From the Russian Federation: On June 28, 2024, Commerce issued its Preliminary Affirmative Countervailing Duty [Determination](#).
- Ferrosilicon From the Russian Federation: On June 28, 2024, Commerce issued its Preliminary Affirmative [Determination](#) of Sales at Less Than Fair Value.

#### Administrative Reviews

- Thermal Paper From the Federal Republic of Germany: On June 3, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review; 2021–2022.
- Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: On June 5, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2021– 2022.
- Certain Carbon and Alloy Steel Cut-ToLength Plate From Italy: On June 7, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review; 2022–2023.
- Certain Aluminum Foil From the Republic of Turkey: On June 10, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review; 2021–2022.
- Certain Aluminum Foil From the Republic of Turkey: On June 10, 2024, Commerce issued its Final [Results](#) and Partial Rescission of the Countervailing Duty Administrative Review; 2021.
- Forged Steel Fluid End Blocks From India: On June 10, 2024, Commerce issued its Final [Results](#) of Countervailing Duty Administrative Review; 2022.
- Welded Stainless Pressure Pipe From India: On June 10, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review; 2021– 2022.
- Chlorinated Isocyanurates From the People’s Republic of China: On June 11, 2024, Commerce issued its Final [Results](#) of Countervailing Duty Administrative Review; 2021.
- Forged Steel Fittings From the People’s Republic of China: On June 11, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2021– 2022.
- Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: On June 12, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2021– 2022; Correction.
- Certain Aluminum Foil From Brazil: On June 13, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review; 2021–2022.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People’s Republic of China: On June 18, 2024, Commerce issued its Final [Results](#) of Countervailing Duty Administrative Review; 2021.
- Alloy and Certain Carbon Steel Threaded Rod From the People’s Republic of China: On June 21, 2024, Commerce issued its Final [Results](#) of Antidumping Duty Administrative Review; 2022–2023.
- Certain Corrosion Inhibitors From the People’s Republic of China: On June 21, 2024, Commerce issued its Final [Results](#) of Countervailing Duty Administrative Review; 2022.
- Certain Carbon and Alloy Steel Cut-ToLength Plate From Italy: On June 28, 2024, Commerce issued its Amended Final [Results](#) of Antidumping Duty Administrative Review; 2022–2023.

- Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico: On June 28, 2024, Commerce issued its Final [Results](#) of the 2021–2022 Administrative Review.

### Changed Circumstances Reviews

- Certain Softwood Lumber From Canada: On June 28, 2024, Commerce issued its Notice of [Initiation](#) of Changed Circumstances Review.

### Sunset Reviews

- Certain Plastic Decorative Ribbon From the People’s Republic of China: On June 6, 2024, Commerce issued its Final [Results](#) of Expedited Sunset Review of the Antidumping Duty Order.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People’s Republic of China: On June 6, 2024, Commerce issued its Final [Results](#) of the Expedited Second Sunset Review of the Antidumping Duty Order.
- Large Diameter Welded Pipe From the People’s Republic of China: On June 6, 2024, Commerce issued its Final [Results](#) of the Expedited First Sunset Review of the Countervailing Duty Order.
- Certain Plastic Decorative Ribbon From the People’s Republic of China: On June 7, 2024, Commerce issued its Final [Results](#) of Expedited First Sunset Reviews of the Countervailing Duty Order.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules From the People’s Republic of China: On June 7, 2024, Commerce issued its Final [Results](#) of the Expedited Second Sunset Review of the Countervailing Duty Order.
- Large Diameter Welded Pipe From the People’s Republic of China, India, Canada, Greece, the Republic of Korea, and the Republic of Turkey: On June 7, 2024, Commerce issued its Final [Results](#) of the Expedited First Sunset Reviews of the Antidumping Duty Orders.
- Large Diameter Welded Pipe From the Republic of Turkey: On June 7, 2024, Commerce issued its Final [Results](#) of the Expedited First Sunset Review of the Countervailing Duty Order.

### Scope Ruling

- None.

### Circumvention

- None.

## U.S. INTERNATIONAL TRADE COMMISSION

### *Section 701/731 Proceedings*

### Investigations

- Boltless Steel Shelving Units Prepackaged for Sale From Malaysia, Taiwan, Thailand, and Vietnam; On June 6, 2024, the ITC issued its affirmative [Determinations](#) of less-than-fair-value investigations.
- Ceramic Tile From India; On June 7, 2024, the ITC issued its [Determinations](#) of less-than-fair-value investigations.
- Brass Rod From Brazil, India, Mexico, South Africa, and South Korea; On June 11, 2024, the ITC issued its affirmative [Determinations](#) of less-than-fair-value investigations.
- Alkyl Phosphate Esters From China; On June 12, 2024, the ITC issued its affirmative [Determinations](#) of less-than-fair-value investigations.
- Non-Refillable Steel Cylinders From India; On June 12, 2024, the ITC issued its affirmative [Determinations](#) of less-than-fair-value investigations.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Cambodia, Malaysia, Thailand, and Vietnam; On June 14, 2024, the ITC issued its affirmative [Determinations](#) of less-than-fair-value investigations.

- High Chrome Cast Iron Grinding Media From India; On June 14, 2024, the ITC issued its affirmative [Determinations](#) of less-than-fair-value investigations.

## **U.S. CUSTOMS & BORDER PROTECTION**

### [EAPA Case 7902 Global Natural Ingredients, LLC](#)

CBP issued the notice of initiation of investigation and interim measures for EAPA case 7902, filed by CP Kelco U.S., Inc. against Global Natural Ingredients, LLC (“Global Natural Ingredients”), for evasion of the applicable AD order A-570-985 on xanthan gum from China. Specifically, the allegation suggested that Global Natural Ingredients imported China-origin xanthan gum into the United States that had been transshipped through India, but at the time of entry declared them as non-covered merchandise and failed to pay the required cash deposits associated with the aforementioned AD order. CBP has determined that there is reasonable suspicion of evasion of AD/CVD duties by Global Natural Ingredients.

### [EAPA Case 7887 Various Importers](#)

CBP issued the notice of initiation of investigation and interim measures for consolidated EAPA case 7887, filed by Cambria Company LLC, against Broadcreek Marketing Associates, Inc., Dorado Surfaces LLC, Kingka Cabinet Inc. and Multistone Enterprises, Inc. (collectively, the Importers), for evasion of AD order A-570-084 and CVD order C-570-085 on quartz surface products from China. Specifically, the allegations suggested that the Importers entered Chinese-origin quartz surface products into the United States that had been transshipped through Thailand, but at the time of entry declared them as non-covered merchandise and failed to pay the required cash deposits associated with the aforementioned AD/CVD orders. CBP has determined that there is reasonable suspicion of evasion of AD/CVD duties by the Importers.

### [EAPA Case 7814 Texas United Chemical Company, LLC](#)

CBP issued the notice of determination as to evasion for EAPA case 7814 filed by CP Kelco U.S., Inc. against U.S. importer Texas United Chemical Company, LLC., operating under the name of its U.S. affiliate, TBC-Brinadd, LLC (TUCC) alleging evasion of the AD order A-570-985 on xanthan gum from China. CBP has determined that there is substantial evidence of evasion of AD/CVD duties by TUCC and, therefore, CBP issued a formal notice of determination as to evasion and has taken enforcement actions.

## **COURT OF INTERNATIONAL TRADE**

### *Summary of Decisions*

#### [Slip Op. 24-67 Catfish Farmers of America v. United States](#)

The Court sustained in part and remanded in part Commerce’s redetermination to use India over Indonesia as a surrogate country because it provided better data quality in the 16th administrative review of an antidumping duty investigation on Vietnamese catfish. Plaintiffs, Catfish Farmers, challenged three aspects of that ruling: (1) the choice of Indian sources for valuing the primary factors of production; (2) the adoption of financial statements from India; and (3) the determination of labor costs and the value of specific by-products and co-products. Concerning the initial point, the Court remanded the matter, stating that the evidence to justify using Fishing Chimes and Undercurrent News as sources for valuing the primary factors of production was insufficient, given that the Court had previously found Commerce’s use of Fishing Chimes to be unclear and unsatisfactory. Likewise, reliance on Undercurrent News was remanded because referred to an indeterminate number of farmers and mills in unspecified regions. With regards to the financial statements, the Court agreed with Commerce’s choice, ruling that it adequately reviewed the statements from both countries and found neither one to be superior, so it used a regulatory preference to decide the issue—a permissible action. Lastly, regarding labor and by-products co-products valuation, the Court remanded this point because Commerce did not adequately cite its reasoning from the record.

#### [Slip Op. 24-68 Phoenix Metal Co. v. United States](#)

In an EAPA investigation, the Court upheld CBP’s final ruling that Phoenix Metal Co., LTD. (“Phoenix”) evaded duties on Cast Iron Soil Pipe (“CISP”) by rerouting the shipments from China through Cambodia to the U.S. Phoenix contested CBP’s determination on the grounds that it was not supported by substantial evidence, that CBP’s verification procedures were arbitrary and capricious, that CBP’s application of adverse inferences to Phoenix was arbitrary and capricious, and that CBP violated Phoenix’s due process rights at several stages of the investigation. The Court dismissed all claims, reasoning that CBP’s determination of evasion was backed by substantial evidence because Phoenix could not refute or dispute most of the evidence used against it. The Court also deemed Phoenix’s due process complaint regarding the non-

receipt of unredacted confidential business documents as moot since Phoenix admitted to no longer being affected by it. Additionally, the Court determined that CBP was within its rights to deploy multiple agents for verification as no specific limit exists, so there was no due process violation. It likewise invalidated Phoenix's argument about adverse inferences, citing Phoenix's noncompliance and refusal to submit required documents. Lastly, the Court concluded that Phoenix's appeal for a 5th Amendment right to notice and an opportunity for a hearing before interim measures were enforced was unfounded, as Phoenix failed to demonstrate an adequate property interest or tangible harm necessary to invoke such protections. Even if it could, the argument would not hold since Ms. Li, the owner of Phoenix and many other related import companies, was on notice of all of the information CBP used to reach its conclusion, except for the fact that a new allegation had been made against this particular named company. Even so, Ms. Li had the chance to challenge the allegations through the EAPA procedure. Accordingly, there was no due process violation, and CBP's determination was upheld.

#### [Slip Op. 24-69 Greentech Energy Sols., Inc. v. United States](#)

The Court granted CBP's motion to dismiss Plaintiff Greentech Energy Solutions, Inc. ("Greentech") case regarding certification requirements on importers of solar modules that contain solar cells produced in countries other than China. Greentech also challenged CBP's suspension of liquidation and collection cash deposits from noncompliant importers, such as Greentech, and liquidation of entries inclusive of AD and CVD duties. Greentech invoked the Court's jurisdiction pursuant to 28 U.S.C. § 1581(i)(1)(B) and (D). CBP sought dismissal for lack of subject matter jurisdiction, or, in the alternative, for failure to state a claim. The Court granted CBP's motion. First, the Court noted that § 1581(i) may not be invoked when jurisdiction under another subsection is or could have been available. The Court explained that Greentech's concerns about certification, along with the suspension and cash deposits, could have been presented through protests that were already pending before CBP, therefore offering a remedy under § 1581(a), which applies when CBP is engaged in decision-making processes. As such, the Court dismissed the two claims for lack of subject matter jurisdiction. As for Greentech's claim related to the AD/CVD duties, the Court determined that it was not ripe. According to the Court, Greentech sought relief in the event CBP tried to impose AD/CVD duties solely on the missing or untimely certification and without any evaluation of the documentation that Greentech submitted, or presumably will submit, when protest proceedings resume. Thus, all claims were dismissed.

#### [Slip Op. 24-70 Wilmar Trading Pte Ltd. v. United States](#)

The Court upheld Commerce's remand redetermination to disregard Indonesian crude palm oil prices when constructing normal value for Plaintiff Wilmar Trading PTE LTD. ("Wilmar"). In 2015, the Indonesian government implemented an export levy program that taxed all exports of crude palm oil. Initially, Commerce set aside these prices without sufficient justification, prompting the Court to remand the case back to Commerce to reconsider its decision or explain why doing so does not impose a double remedy. On remand, Commerce clarified that the 2015 export levy did not result in a double penalty as it did not influence the anti-dumping calculation. In particular, the normal value, based on a global market price—thus free from the levy's impact—remained unchanged. Likewise, the United States market price was derived from heating oil futures on the New York Mercantile Exchange, which applied equally to domestic and international producers, including Wilmar. Consequently, the Court held that Commerce had adequately explained, and supported with substantial evidence, its finding.

#### [Slip Op. 24-71 United States Steel Corp. v. United States](#)

The Court sustained Commerce's final results of an administrative review of an antidumping order covering hot-rolled steel flat products from Australia. At issue in this case were back-to-back transactions between BlueScope Steel Ltd. ("BlueScope Steel") and its three affiliated companies. A coalition of domestic steel producers ("Plaintiffs") argued that Commerce failed to deduct the reimbursement of antidumping duties BlueScope Steel indirectly provided its affiliated importer when it lowered the steel price by the amount of estimated duties. Further, Plaintiffs maintained that Commerce should have deducted from the U.S. price the profits derived from Steelscape's—the affiliated importer's unaffiliated U.S. customer—additional processing of the steel in the U.S. The Court rejected the first argument, finding no link between the affiliates' transfer pricing and the reimbursement of antidumping duties because the affiliated importer ultimately made separate payments for steel and duties. The Court also rejected Plaintiffs' second argument, determining that making a separate deduction for further manufacturing profit would double-count profit deduction because manufacturing activities had already been deducted in calculating the constructed export price, as required by law. Accordingly, the Court denied Plaintiffs' motion.

#### [Slip Op. 24-74 YC Rubber Co. \(North America\) LLC v. United States](#)

The Court sustained in part and remanded in part Commerce's remand results regarding the second administrative review of an antidumping duty order on certain passenger vehicle and light truck tires from China. First, Plaintiffs challenged Commerce's remand results, arguing that selecting a second mandatory respondent several years after the initial

administrative review to comply with the Federal Circuit’s remand was unreasonable because potential respondents might no longer have the pertinent information available. The Court upheld Commerce’s determination explaining that the passage of time alone does not compel Commerce to refrain from selecting a second mandatory respondent. Next, Plaintiffs’ challenged Commerce’s methodology of selecting the second mandatory respondent, taking concern with each party having one week to respond, with selection being limited to those respondents with suspended entries, and with selection based upon overall volume of exports. The Court rejected most of Plaintiffs’ basis for challenging the selection finding them baseless. That said, the Court struggled to discern Commerce’s logic for its order of selection of mandatory respondents and remanded this issue back to Commerce. Similarly, the Court remanded for reconsideration Plaintiff’s challenge of Commerce’s rescission of separate rate status as well as the renewed withdrawal requests from respondents because it could not discern Commerce’s reasoning. Finally, the Court affirmed Commerce’s decision to exclude certain import values in its mandatory respondent rate calculations because, pursuant to Section 1677b(c)(5), Commerce had previously determined that broadly available export subsidies existed.

#### [Slip Op. 24-75 Ereğli Demir ve Çelik Fabrikalari T.A.S. v. United States Int’l Trade Comm’n](#)

The Court upheld the ITC’s five-year determination on hot rolled steel from Turkey. Plaintiff, a Turkish producer of hot rolled steel, argued that the ITC failed to take into account Commerce’s amended anti-dumping determination that one (but not all) of the Turkish importers were not in fact dumping hot rolled steel (the “Amended Anti-Dumping Determination”). Specifically, Plaintiff challenged the ITC’s five-year determination on two grounds: (1) the five-year determination was not in accordance with the law because it does not rest on a predicate material injury as required by law, and (2) it was unsupported by substantial evidence because the ITC improperly considered imports of non-subject merchandise. The Court rejected both arguments. First, the Court explained that material injury still exists because the original ITC determination, establishing material injury, is still in effect despite the conflicting Amended Anti-Dumping Determination since Plaintiff did not appropriately challenge it by the appeal deadline and another case for reconsideration is pending before another judge. Second, the Court rejected Plaintiff’s argument because the ITC did not consider non-subject merchandise as support for its discernible-adverse-impact finding, and the ITC reasonably concluded that imports of subject merchandise would clear the low statutory threshold for discernibility. Accordingly, the ITC determination was upheld.

### **COURT OF APPEALS FOR THE FEDERAL CIRCUIT**

#### *Summary of Decisions*

#### [Appeal No. 22-1807 Government of Quebec v. U.S.](#)

The Court affirmed the trial court’s decision sustaining Commerce’s final affirmative determination in the countervailing duty investigation on certain utility scale wind towers from Canada. Appellants, the Government of Quebec and a mandatory respondent, argued that Commerce erred by not adjusting mandatory respondent’s sales denominator to include a year-end “exchange rate adjustment” made by its auditor, which would have lowered the duty rate to below the 1% de minimis threshold. The Court rejected the argument, finding that errors in the sales data undermined the auditor’s adjustments. The Court also sustained Commerce’s determination that three Canadian tax programs, one for depreciating property values and two for jobs creation and training, provided a financial advantage to wind tower producers. The Court also upheld Commerce’s calculation of a subsidy rate for the jobs training program, rejecting arguments that it incorrectly assessed the size of the benefit received in 2017 without reducing it by the amount paid by mandatory respondent the year before. Finally, the Court agreed with Commerce’s finding that the number of recipients of the job training program was “specific,” as required to countervail a benefit, noting that specificity can be de jure or de facto.

### **EXPORT CONTROLS AND SANCTIONS**

On June 12, 2024, the Bureau of Industry and Security (“BIS”) announced new rules imposing additional export controls on Russia and Belarus. On September 16, 2024, BIS will formally amend the EAR to prohibit the export, reexport, or transfers of the following types of software to Russia or Belarus when the software is EAR99 and “subject to the EAR”:

- Enterprise resource planning (ERP)
- Customer relationship management (CRM)
- Business intelligence (BI)
- Supply chain management (SCM)
- Enterprise data warehouse (EDW)
- Computerized maintenance management system (CMMS)
- Project management software
- Product lifecycle management (PLM)

- Building information modelling (BIM)
- Computer aided design (CAD)
- Computer-aided manufacturing (CAM) and
- Engineering to order (ETO).

The new rules will also prohibit exports of software updates for the above-described types of software. In addition to other exceptions provided for in Section 746.8, the new rules provide an additional exception which states that the rules do not apply when the software is “destined to entities engaged exclusively in the agriculture or medical industries”. However, BIS did not define what it means for an entity to be engaged exclusively in the agricultural or medical industry.

Additionally, BIS is also revising License Exception Consumer Communications Devices (CCD) effective June 12, 2024, in order to limit the types of devices and software which may be exported to Russia or Belarus. The forthcoming rule did not alter the status of the Encryption Commodities, Software, and Technology (ENC) license exception for Russia or Belarus.

### **Additional Items Added to Supplements No. 4 and 6**

Effective June 12, 2024, BIS added over 500 new items to Supplement No. 4, which are listed in the attached PDF that we prepared. Previously, the Supplement No. 4 export controls provided an exception for “fasteners” which were previously defined as “e.g., screw, bolt, nut, nut plate, stud, insert, clip, rivet, pin), washer, spacer, insulator, grommet, bushing, spring, wire, or solder.” However, the new additions to Supplement No. 4 feature a wide variety of nails, screws, nuts, washers, etc. which are now listed by HTS code and material type. BIS has clarified that if a “fastener” is listed on Supplement No. 4 by HTS code then the Supplement No. 4 restrictions will prevail, and the item is not eligible for the previously available “fastener” restriction.

BIS also expanded Supplement No. 6 by adding 10 additional chemical isomers which are typically used as riot control agents (ex: tear gas) but are otherwise not controlled on the Commerce Control List.

### **OFAC Issued the IT and Software Services Determination**

The Office of Foreign Assets Control (“OFAC”) issued a new Determination under EO 14071 which will take effect on September 12, 2024 and which will prohibit US persons from providing or facilitating the exportation, reexportation, sale, or supply, directly or indirectly, of the following services to any person located in Russia:

- (1) information technology (IT) consultancy and design services; and
- (2) IT support services and cloud-based services for the following categories of software: enterprise management software and design and manufacturing software (collectively, “Covered Software”).

This Determination provides exceptions which would allow US persons to provide or facilitate the provision of these services to a recipient located in Russia if: done in connection with the wind down or divestiture of an entity located in the Russian Federation that is not owned or controlled, directly or indirectly, by a Russian person, or if the services are provided for software which would be licensed or authorized for export to Russia under the EAR.

### **BIS Added “Addresses That Present a High Diversion Risk” to Entity List**

As part of its enforcement efforts, BIS found that certain addresses were widely used in diversion shipments but either multiple Entity List designees shared that address or BIS could not identify who the address actually belonged to. As a result, BIS has now added “Addresses that present a high diversion risk” to the Entity List and exports, reexports or transfers (in-country) to any party at those addresses will be subject to licensing restrictions as stated in the Entity List for that particular address.

### **BIS’s Office of Antiboycott Compliance Issued Its First Quarterly Update**

On June 27, 2024, BIS’s Office of Antiboycott Compliance issued its first quarterly update of the Requester List. The update included 57 additions and 127 removals. The entities that were removed from the Requester List were removed after BIS was “made aware that U.S. persons had misidentified a foreign party as having made a reportable boycott request or because the foreign party removed boycott language in transaction documents with U.S. entities.”