



EIB World Trade Headlines

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Cyber Risk Now a Huge Concern

By Jeanette Reed

I was fortunate enough to be invited to attend a conference held by the Boston office of the FBI on Cyber Risk and Cyber Security.

The biggest take away I had from the meeting was that the legal ramifications and costs for cyber loss can be large for companies both big and small. The Cyber Criminals and National Security Elements are constantly a step ahead of all of us, hence staying atop the latest ransom ware, worm, bot, hack or virus is nearly impossible, especially for the small and micro businesses.

Companies will be held to account, if they do nothing to shore up security. NIST 800 -171 is only one set of standards, turns out there are multiple. For those companies that work with Defense related products there is now the requirement for DFARS flow downs to include NIST 800-171, Cyber Security Protections.

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It's clear that the implementation of such standards will not necessarily prevent an attack, as attacks are virtually constant. It's like a body being regularly approached by bacteria and viruses, only a strong immune system can prevent penetration. Likewise, only an attempt at Cyber Security will provide mitigation from total responsibility for any infection or loss of data through cyber channels.

We have been working with one of our partners to develop a training on the NIST Standards and Cyber Security. We hope to have something Q1 2020.

In the interim we have some guidance materials, that we hope you will take advantage of for your Company.

The affects and incursions into our digital life are only going to become more dangerous as we become more reliant on digital solutions. Think of logistics that are dependent solely on IOT, human less operators. Traffic and shipments can stop mid-air, mid ocean or mid any point from here to there, and that is just logistics! It is time to get very serious about Cyber Security.

We will keep you posted with all we learn.

Trainings

- **Evolutions In Business**

FCPA, Foreign Corrupt Practices Act
Webinar – October 23, 2019 1:30pm • Eastern Time

Incoterms 2020
Webinar – November 6, 2019 1:30pm • Eastern Time

CFIUS, Modernized
Committee on Foreign Investment in the US – Regs Webinar –
November 13, 2019 1:30pm • Eastern Time

The webinars cover:

FCPA- What is a bribe and what are your responsibilities

Incoterms 2020- Updated every 10 years, new next year

CFIUS- Foreign Investors, Mergers, Acquisitions, Board Members, and more, what are your responsibilities?

No Charge Retained Customers

email Debbie Gordon at Debbie@eib.com to reserve your spot!

- **Using ACE Reports to Manage and Audit AES Filings**

Since the transition of Automated Export System (AES) to the Automated Commercial Environment (ACE) platform, retrieving reports of Electronic Export Information (EEI) filed for export shipments has never been easier.

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Today, through the ACE platform, exporters can retrieve free, on-demand reports which include the past five years of shipments. Additionally, reports can be customized and scheduled in advance.

From the ACE platform, exporters have the ability to view details of shipments filed in AES/ACE under their EIN as the US Principal Party in Interest (USPPI), as well as the elements of what was reported on routed export transactions by their foreign customers' U.S. agent - information that is not available through a traditional Census data request. AES/ACE reports promote improved management of data quality and license activity, and can help to facilitate in-depth audits of U.S. exporters' international shipping activity.

This webinar will provide a tutorial of export report features in ACE. Topics to be discussed include an overview of ACE Export Reports, including a demonstration of accessing export reports, creating an ad hoc report, modifying report queries and filters, and scheduling a recurring report.

Don't miss this opportunity to hear directly from the U.S. Census Bureau on how to maximize export compliance using ACE reporting. Our speaker will be Mayumi Brewster, Survey Statistician with the Data User and Trade Outreach Branch, Economic Management Division of the U.S. Census Bureau.

Date: Tuesday, November 19, 2019

Time: 11:30 a.m. – 1:00 p.m. EST

Location: Webinar

Cost: \$35 / no charge for Compliance Alliance members

Contact: Massachusetts Export Center at 617-973-6610

Elections Called by Boris Johnson for BREXIT

Boris Johnson has announced he is seeking a 12 December general election. And the prime minister said that in return for backing his plan on Monday, he will offer MPs more time to debate and scrutinise his Brexit deal.

In a broadcast interview shortly after a surprise cabinet meeting in 10 Downing Street, Mr Johnson said: "The way to get Brexit done is to be reasonable with parliament and say if they genuinely want more time to study this excellent deal, they can have it, but they have to agree to a general election on 12 December."

The announcement amounts to his first admission that he has missed his 31 October deadline for taking the UK out of the European Union. In a letter to Labour leader Jeremy Corbyn, he said that if the date was approved, the government would make as much time available as possible up to 6 November to scrutinise and pass the Withdrawal Agreement Bill, including weekends and extended sitting hours.

Authorizing Transactions Involving Petr6leos de Venezuela, S.A. (PdVSA) Necessary for Maintenance of Operations for Certain Entities in Venezuela

OFFICE OF FOREIGN ASSETS CONTROL

Executive Order 13850 of November 1, 2018

Blocking Property of Additional Persons Contributing to the
Situation in Venezuela

Executive Order 13884 of August 5, 2019 Blocking Property of
the Government of Venezuela

GENERAL LICENSE NO. 8D

(a) Except as provided in paragraph (b) of this general license, all transactions and activities ordinarily incident and necessary to the maintenance of operations, contracts, or other agreements in Venezuela involving PdVSA or any entity in which PdVSA owns, directly or indirectly, a 50 percent or greater interest prohibited by Executive Order (E.O.) 13850, as amended by E.O. 13857 of January 25, 2019, or E.O. 13884, and that were in effect prior to July 26, 2019, are authorized through 12:01 a.m. eastern standard time, January 22, 2020 for the following entities and their subsidiaries:

- Chevron Corporation
- Halliburton
- Schlumberger Limited
- Baker Hughes, a GE Company
- Weatherford International, Public Limited Company

(b) This general license does not authorize:

(1) Any transactions or dealings related to the exportation or reexportation of diluents, directly or indirectly, to Venezuela; or

(2) Any transaction that is otherwise prohibited by E.O. 13884, or E.O. 13850, E.O. 13835 of May 21, 2018, E.O. 13827 of March 19, 2018, E.O. 13808 of August 24, 2017, or E.O. 13692 of March 8, 2015, each as amended by E.O. 13857, or any part of 31 C.F.R. chapter V, or any transactions or dealings with any blocked person other than the blocked persons described in paragraph (a) of this general license.

(c) Effective October 21, 2019, General License No. 8C, dated August 5, 2019, is replaced and superseded in its entirety by this General License 8D.

Andrea Gacki
Director
Office of Foreign Assets Control
Dated: October 21, 2019

Cuba

On October 21, 2019, the Department of Commerce's Bureau of Industry and Security (BIS) will amend the Export Administration Regulations (EAR) to support the President's policy to hold the Cuban regime accountable for its repression of the Cuban people and its support of the Maduro regime in Venezuela. BIS will establish a general policy of denial for leases of aircraft to Cuban state-owned airlines; clarify that aircraft and vessels are not eligible for the License Exception Aircraft and Vessels (AVS) if they are leased to or chartered by a national of Cuba; establish a general 10-percent de minimis level for Cuba; and revise License Exception Support for the Cuban People (SCP) to make the Cuban government and communist party ineligible for certain donations, remove an authorization for promotional items that generally benefits the Cuban government, and clarify the scope of telecommunications items that the Cuban government may receive without a license.

The United States maintains a comprehensive embargo on trade with Cuba. The export and reexport to Cuba of items subject to the Export Administration Regulations (EAR) require a BIS license unless authorized by a license exception specified in section 746.2(a)(1) of the EAR or exempted from license requirements in section 746.2(a)(2). The EAR sets forth licensing policy for exports and reexports that generally will be approved, exports and reexports that will be reviewed on a case-by-case basis, and exports and reexports that will generally be denied.

For additional information, please review the BIS rule and BIS's updated Frequently Asked Questions. For specific questions regarding exports or reexports to Cuba, please contact the Foreign Policy Division at (202) 482-4252.

U.S. deficit hit \$984 billion in 2019, soaring during the Trump era

Spending increases, tax cuts and budget apathy fueled the surge. Interest payments are now near \$400 billion annually, and leaders in both parties have distanced themselves from past efforts to slow growth of the federal debt.

Brexit Deal Does Not Pass Parliament

For more than a year, polls have shown that if there were a countrywide “do-over vote,” Britons would, by a narrow margin, opt to stay in the E.U.

By
William Booth and
Karla Adam

Oct. 19, 2019 at 5:57 p.m. EDT

LONDON — Lawmakers voted to withhold support for Prime Minister Boris Johnson’s new Brexit deal, scuppering his hope of finalizing Britain’s exit plan at an extraordinary “Super Saturday” session in Parliament.

The humiliating defeat, however, did not deal a fatal blow to the withdrawal agreement he negotiated in Brussels. Johnson said he planned to press ahead and seek approval of his Brexit deal in the coming week.

Britain remains deeply divided over Brexit. On Saturday, organizers estimated that protests pushing for a second referendum drew 1 million people into the streets of London in on-and-off rain.

Johnson is relying in part on “Brexhaustion” to get his deal passed. Number crunchers said the outcome would be too tight to call, but there were ways he could secure a majority.

Saturday’s successful amendment, from Conservative Party rebel Oliver Letwin, was designed to box in Johnson — so he cannot force Britain to leave the European Union until lawmakers have scrutinized and passed all necessary legislation for an orderly exit.

Johnson’s allies branded it a sneaky attempt by an obstreperous Parliament to defy the will of the people and gum up Britain’s exit trajectory.

The vote was close: 322 in favor and 306 against. It was an anticlimactic conclusion to a day when lawmakers gathered on a Saturday for the first time in 37 years, since Britain fought in the Falklands.

Johnson responded to the parliamentary beatdown with emphatic finger-jabbing. The prime minister insisted, “I’m not daunted or dismayed by this particular result.” He vowed that he would “not negotiate” a delay with the E.U. — which didn’t mean he wouldn’t ask for one

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As it turned out, the president of the European Council, Donald Tusk, announced late Saturday that the British government had notified the E.U. of its extension request.

“I will now start consulting E.U. leaders on how to react,” Tusk said.

Johnson had warned the House of Commons that “further delay would be bad for this country, bad for our European Union and bad for democracy.”

According to legislation passed last month, if a deal was not approved by 11 p.m. Oct. 19, Johnson was required to formally seek a three-month extension beyond the Oct. 31 deadline.

In an unsigned letter sent by the British prime minister to Tusk, the government requested a Brexit delay until the end of January 2020. The government said that if it managed to ratify the withdrawal agreement sooner, the extension could be shortened.

European leaders are sick and tired of Brexit talks, but are almost certain to agree to a short reprieve.

“If Johnson asks the European Union to grant an extension, it should be approved, since a modified agreement on the terms of withdrawal has been reached,” Latvian Foreign Minister

Edgars Rinkevics told his country’s LETA news agency. “It is in everyone’s interest that the Brexit is arranged in an orderly manner.”

After the action at Westminster, lawmakers on both sides of the Brexit divide required police escorts to get past the hostile demonstrators outside.

“Why do the so called ‘People’s Vote’ protesters think it’s ok to abuse, intimidate and scream in the face of someone they don’t agree with,” tweeted cabinet member Andrea Leadsom. “So frightening, and so grateful to the police.”

The demonstrations, though, were largely peaceful.

Lawyer Saira Ramadan, 36, was there with her husband and two children. She said it was “our last real opportunity to make our voices heard as publicly as possible, and in large numbers.”

Asked about “Brexhaustion” and the claim that Britons just want Brexit done, she said, “It would be disingenuous of me to suggest that there isn’t a feeling of Brexit fatigue . . . but that’s not to say that should be a reason for those of us who feel strongly enough to take it lying down and give up because we want it done.”

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For more than a year, polls have shown that if there were a countrywide “do-over vote,” Britons would, by a narrow margin, opt to stay in the E.U.

Polling firm YouGov reported that 30 percent of Britons favor Johnson’s deal, 17 percent want to get out without a deal and 38 percent want to remain, with the final 15 percent unsure.

Johnson on Saturday swatted away calls for a second referendum and continued to press lawmakers to get Britain out of the E.U. by the end of October, as he has promised many times, “do or die.”

In his remarks to the House of Commons, he emphasized the toll of the Brexit debate — which he launched as a leader of the 2016 referendum campaign.

“Friendships have been strained, families divided and the attention of this House consumed by a single issue that has at times felt incapable of resolution,” he said.

The prime minister called his deal “a new and better way forward” for Britain and Europe.

The leader of the opposition Labour Party, Jeremy Corbyn, said lawmakers should reject it.

“I also totally understand the frustration and the fatigue across the country and in this House,” Corbyn said. “But we simply can’t vote for a deal that is even worse than the one the House voted to reject three times.”

Even some friendly lawmakers who support Brexit complained that they wanted time to at least read the government’s economic analysis of Johnson’s deal before they vote on it.

“His strategy has been the same as Theresa May’s strategy,” said Simon Usherwood, a politics professor at the University of Surrey. “Present a deal, and then bounce, bounce, bounce it straight through. Before you know it, you’ve agreed something, and don’t worry about the details.”

As prime minister, May presented her withdrawal agreement to Parliament three times — and three times she was rejected.

On Saturday, May, now a backbencher, rose to speak in the chamber and confessed a sense of déjà vu. She, however, offered full-throated support for Johnson. If Parliament doesn’t back the deal, May said, “it is guilty of the most egregious con trick on the British people.”

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Her voice rising with passion, May said, “If you don’t want no deal, you have to vote for a deal. Businesses are crying out for certainty. People want certainty in their lives.”

Johnson’s deal offers a more distant relationship with the E.U. than the agreement she struck. His plan, however, would see Northern Ireland stay largely aligned to the E.U., even though it would leave the bloc with the rest of the country.

Northern Ireland’s Democratic Unionist Party said the deal was not in the province’s “long-term interests.” The party’s 10 lawmakers are expected to vote against it.

“It was once said that no British prime minister could ever agree to such terms,” Democratic Unionist lawmaker Nigel Dodds said in Parliament. “Will he now abide by that and reconsider the fact that we must leave as one nation together?”

John Major and Tony Blair said in videos published for the People’s Vote campaign that Johnson’s deal risked derailing peace in Northern Ireland. The two former prime ministers, who both backed “remain” in the Brexit referendum, played important roles in the Good Friday Agreement, the accord that helped to usher in peace in Northern Ireland after decades of sectarian violence.

“It is a shame and an outrage frankly that Northern Ireland is treated like some disposable inconvenience to be bartered away,” Blair said.

Without the support of the Democratic Unionists, Johnson has had to look for other pathways to a majority for his deal. There has been much wheeling and dealing at 10 Downing Street. There was speculation that Johnson might offer the 21 lawmakers he expelled from his party last month a way back in if they voted with him.

He also offered new pledges Friday night to protect workers’ rights, which was seen as an attempt to woo more Labour lawmakers, especially those who are either Brexiteers or who represent Brexit-backing constituencies.

Labour’s Corbyn called those pledges “empty promises.”

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This deal, Corbyn said, would “absolutely, inevitably lead to a Trump trade deal, forcing the U.K. to diverge from the highest standards and expose our families once again to chlorine-washed chicken and hormone-treated beef.”

But some Labour lawmakers representing Euroskeptic constituencies have indicated they will support Johnson’s deal. In an opinion column in the Guardian newspaper, Melanie Onn, a Labour lawmaker from Grimsby, a pro-Brexit town populated by “Labour-leavers,” implored her colleagues “to use this unique chance to help us move on.”

“The risk of letting this final shot at a deal slip through our fingers is too great,” she said in a piece she wrote with a Conservative Party lawmaker.

Johnson is also hoping to bring on side the 28 hard-line Brexiteers from his party who have previously been resistant to a Brexit deal. That group said Saturday morning that it had advised its members to vote for Johnson’s agreement.

Andrea Jenkyns, a Conservative lawmaker who never once voted for May’s deal, tweeted: “After much consideration, I have decided to back @BorisJohnson deal. Obviously I would prefer No-Deal but I believe we are in real danger of losing Brexit with the Remain shenanigans and the stakes are dangerously high at the moment.”

Parliament denies Boris Johnson support for fast-tracked Brexit deal, making it unlikely that Britain will leave E.U. by Oct. 31

The vote was a major political defeat for the prime minister.

Re imposing Certain Sanctions With Respect to Iran

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220
OFFICE OF FOREIGN ASSETS CONTROL
Executive Order 13846 of August 6, 2018

GENERAL LICENSE K
Authorizing Maintenance or Wind Down of Transactions
Involving Cosco Shipping Tanker (Dalian) Co., Ltd.

(a) Except as provided in paragraph (b) of this general license, all transactions and activities prohibited pursuant to section 5 of Executive Order (E.O.) 13846 that are ordinarily incident and necessary to the maintenance or wind down of transactions involving, directly or indirectly, Cosco Shipping Tanker (Dalian) Co., Ltd., or any entity owned, directly or indirectly, 50 percent or more by Cosco Shipping Tanker (Dalian) Co., Ltd., including any transaction or dealing in property or interests in property of the foregoing, are authorized through 12:01 a.m. eastern standard time December 20, 2019.

(b) This general license does not authorize:

- (1) Any transactions or activities with Cosco Shipping Tanker (Dalian) Seaman and Ship Management Co., Ltd., or any entity owned, directly or indirectly, 50 percent or more by Cosco Shipping Tanker (Dalian) Seaman and Ship Management Co., Ltd.;
- (2) The unblocking of any property blocked pursuant to E.O. 13846, or any part of 31 C.F.R. chapter V, except as authorized by paragraph (a); or
- (3) Any transactions or activities prohibited by E.O. 13846, except as authorized by paragraph (a) of this general license, or any transaction or activity prohibited by any other E.O. or any part of 31 C.F.R. chapter V, including any transaction or activity involving Iran, the Government of Iran, or Iranian-origin goods or services that is prohibited by the Iranian Transactions and Sanctions Regulations (31 C.F.R. part 560).

Blocking Property of Certain Persons Undermining Democratic Processes or Institutions in Belarus

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220
OFFICE OF FOREIGN ASSETS CONTROL
Belarus Sanctions Regulations
31 C.F.R. Part 548
Executive Order 13405 of June 16, 2006

General License with Respect to Entities Blocked Pursuant to Executive Order 13405

(a) General License No. 2F, dated October 24, 2018, is replaced and superseded in its entirety by this General License No. 2G.

(b) Effective October 30, 2015, except as provided in paragraphs (c) through (f) below, all transactions otherwise prohibited by Executive Order 13405 involving the following named entities, or any entities that are owned, individually or in the aggregate, directly or indirectly, 50 percent or more by one or more of the following named entities, are authorized:

- Belarusian Oil Trade House
- Belneftekhim
- Belneftekhim USA, Inc.
- Belshina OAO
- Grodno Azot OAO
- Grodno Khimvolokno OAO
- Lakokraska OAO
- Naftan OAO
- Polotsk Steklovolokno OAO

(c) Unless otherwise authorized by the Office of Foreign Assets Control, all property and interests in property of the entities described in paragraph (b) that were blocked pursuant to E.O. 13405 prior to October 30, 2015 remain blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in.

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(d) This general license does not authorize transactions, directly or indirectly, with any other person whose property and interests in property are blocked pursuant to 31 C.F.R. § 548.201(a) or Executive Order 13405, even if those transactions are conducted through any of the entities described in paragraph (b), above.

(e) U.S. persons engaging in transactions involving, directly or indirectly, any of the entities described in paragraph (b) as authorized by this general license are required, no later than 30 days after the execution of any such transaction in excess of \$50,000, or any series of such transactions exceeding \$50,000, to file a report with the U.S. Department of State, Office of Eastern European Affairs, 2201 C Street, N.W., Washington D.C. 20520. Such reports shall include the following numbered sections and information:

- (1) Estimated or actual dollar value of the transaction(s), as determined by the value of the goods, services, or contract;
 - (2) The parties involved;
 - (3) The type and scope of activities conducted; and
 - (4) The dates or duration of the activities.
- Reports may also be filed via email to BelarusGL@state.gov. Note to paragraph (e): U.S. financial institutions are not required to file a report if there are other U.S. persons involved in the reportable transaction that are not financial institutions.

(f) This authorization expires at 12:01 a.m. eastern daylight time on April 26, 2021 unless extended or revoked.

Dated: October 22, 2019
Andrea Gacki
Director
Office of Foreign Assets Control
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“The source of knowledge is experience.”