



# Trade Matters

## Lowenstein Sandler's Global Trade & Policy Newsletter

March 2021

Share: [in](#) [t](#)



Welcome to the inaugural edition of Lowenstein Sandler's Trade Matters. Each month, we will cover important developments related to international trade law and compliance. We look forward to a continuing dialogue with our readers about the changing regulatory landscape and compliance best practices.

### 1. New Economic Sanctions in Myanmar

In response to the recent military coup in Myanmar, President Biden issued an [executive order](#) on February 11, 2021 implementing sanctions against the country. As a result, OFAC has designated multiple individuals and entities and on March 4, the Bureau of Industry and Security issued new restrictions on exports to Myanmar and added four entities to the Entity List. Accordingly, any company doing business in Myanmar needs to understand how these new restrictions impact business. Companies should screen customers and transaction parties and conduct due diligence to ensure compliance. As the unrest continues, tougher sanctions may follow.

### 2. China Blocking Rules Force Multinational Companies to Review Internal Policies

On January 9, 2021, China enacted new "blocking rules" as a response to extraterritorial application of foreign laws. These new rules, similar to the EU blocking regime, would prevent Chinese companies from complying with foreign sanctions laws. While further clarification is forthcoming, any Chinese company must report when a foreign law prevents it from trading with a third country such as Iran or North Korea. Multinational companies need to consider how these new rules will impact their business. Companies should also consider needed revisions to compliance policies and contractual representations.

### Contact Us

for more information about any matters in this newsletter:

**Doreen M. Edelman**  
Partner  
Chair, Global Trade & Policy  
202.753.3808  
[dedelman@lowenstein.com](mailto:dedelman@lowenstein.com)

**Laura Fraedrich**  
Senior Counsel  
202.753.3659  
[lfraedrich@lowenstein.com](mailto:lfraedrich@lowenstein.com)

**Abbey E. Baker**  
Counsel  
202.753.3806  
[abaker@lowenstein.com](mailto:abaker@lowenstein.com)

**Andrew Bisbas**  
Counsel  
202.753.3807  
[abisbas@lowenstein.com](mailto:abisbas@lowenstein.com)

**Christian C. Contardo**  
Associate

### 3. Sanctions in Xinjiang Region of China Raise Supply Chain Concerns

Over the last several months, the U.S. government has ramped up sanctions related to human rights abuses against China's Uighur minority in the Xinjiang region, including a ban on cotton and tomato products from the region. A February bipartisan bill, introduced before the U.S. House of Representatives, would ban *all* imports from the Xinjiang region, unless they are certified to not involve forced labor. Other countries are joining this effort; it is therefore important for multinational companies to evaluate their supply chains.

### 4. Tariffs Suspended on UK Goods Caught in Subsidy Dispute

Effective March 8, 2021 the Biden administration will suspend for four months tariffs on UK goods that the Trump administration enacted in October 2019 as part of dispute with the EU over commercial aircraft subsidies.

**Trade tip of the month:** If your company has been paying List 3 or List 4 import duties on products from China under the Section 301 program initiated by President Trump, your company may want to join the 4,000 companies suing for refunds at the U.S. Court of International Trade. For more information, please see this [Lowenstein client alert](#).

### Additional Resources

- **Article:** "Hypersonics Illustrate Supply Chain Vulnerabilities"  
January 7, 2021  
*National Defense*  
Doreen M. Edelman, Abbey E. Baker, Christian C. Contardo
- **Article:** "Beware of paying that ransomware threat"  
December 31, 2020  
*Security*  
Doreen M. Edelman, Kathleen A. McGee, Christian C. Contardo
- **Client Alert:** "The SEC Identifies Common Investment Adviser Compliance Program Deficiencies Consistent With Deficiencies Recognized by Other Regulators Overseeing Investment Advisers"  
December 4, 2020  
*Lowenstein Sandler LLP*  
Scott H. Moss, Doreen M. Edelman, Manas Kumar, Christian C. Contardo
- **Article:** "How to Avoid a U.S. Importer's Costly Trade-Compliance Error"  
November 13, 2020  
*SupplyChainBrain*  
Doreen M. Edelman, Andrew Bisbas

202.753.3804

[ccontardo@lowenstein.com](mailto:ccontardo@lowenstein.com)

### Megan C. Bodie

Administrative Coordinator

202.753.3809

[mbodie@lowenstein.com](mailto:mbodie@lowenstein.com)

## Subscribe—and stay in the know!

If you would like to update your mailing preferences for Lowenstein Sandler communications, please [click here](#).

[MANAGE MY PREFERENCES](#)

Follow us on:



[lowenstein.com](http://lowenstein.com)

NEW YORK

PALO ALTO

NEW JERSEY

UTAH

WASHINGTON, D.C.

© 2021 Lowenstein Sandler LLP | One Lowenstein Drive, Roseland, New Jersey 07068 |  
+1 973.597.2500

If you would like to update your mailing preferences for Lowenstein Sandler communications,  
please [click here](#).

To unsubscribe from Lowenstein Sandler email communications, [click here](#).