THE GLOBAL TRADE LAW JOURNAL

Volume 4, Number 1 January-February 2027

Editor's Note: Foreign Direct Investments
Victoria Prussen Spears

First Prohibition Under Belgium's FDI Regime: A Milestone, Not a Revolution
Johan Ysewyn, Melissa Van Schoorisse, Ross Evans, and Romain Girard

Investing in German Defense Companies: Key Regulatory Considerations
Henning Bloss, Jörn Hirschmann, Björn Schneider, Anna Lubberger, Nicolas Jung, Moritz Hüsch, Clemens Jaaks, and Emanuel Ghebregergis

Designations Implicate Ecuador's Maritime Networks: Top Points
Sonia Torres Pabón, Francisca Franzani, and Nereida Melendez-Rivera

International Trade and the Empowerment of Women—Part II
Sheela Rai

Final Rule Eases U.S. Drone Export Controls, Alongside New Tariffs on Drone Imports
John P. Barker, Deborah A. Curtis, Lynn Fischer Fox, Nicholas L. Townsend, Trevor G. Schmitt, Bell Johnson, Sarah Belmont, Dustin Vesey, and Kristina Lorch

U.S. Treasury Department Launches Consolidated CFIUS Website With Slate of New Features
John P. Barker, John B. Bellinger III, Charles A. Blanchard, Deborah A. Curtis, Ronald D. Lee, Soo-Mi Rhee, Nicholas L. Townsend, Junghyun Baek, Trevor G. Schmitt, Bell Johnson, and Dustin Vesey

U.S. Department of Justice and Department of Homeland Security Trade Fraud Guide: A Roadmap for False Claims Act Exposure
Keith Rosen, Ashley Kuempel, Ryan Meltzer, Cat McManus, and Bob Carmichael

U.S. Imposes New Tariffs and Minimum Import Prices on Polysilicon and Solar Products
Kevin E. Gaunt

Trade Enforcement Update
Anthony Rapa, Jennifer A. Short, Bradley L. Henry, Michael J. Schmandt, and Layla S. Najjar

FULL COURT PRESS
part of Clio

THE GLOBAL TRADE LAW JOURNAL

Volume 4, No. 1 January–February 2027

5 Editor's Note: Foreign Direct Investments
Victoria Prussen Spears

9 First Prohibition Under Belgium's FDI Regime: A Milestone, Not a Revolution
Johan Ysewyn, Melissa Van Schoorisse, Ross Evans, and Romain Girard

17 Investing in German Defense Companies: Key Regulatory Considerations
Henning Bloss, Jörn Hirschmann, Björn Schneider, Anna Lubberger, Nicolas Jung, Moritz Hüsch, Clemens Jaaks, and Emanuel Ghebregergis

23 Designations Implicate Ecuador's Maritime Networks: Top Points
Sonia Torres Pabón, Francisca Franzani, and Nereida Melendez-Rivera

29 International Trade and the Empowerment of Women—Part II
Sheela Rai

49 Final Rule Eases U.S. Drone Export Controls, Alongside New Tariffs on Drone Imports
John P. Barker, Deborah A. Curtis, Lynn Fischer Fox, Nicholas L. Townsend, Trevor G. Schmitt, Bell Johnson, Sarah Belmont, Dustin Vesey, and Kristina Lorch

55 U.S. Treasury Department Launches Consolidated CFIUS Website With Slate of New Features
John P. Barker, John B. Bellinger III, Charles A. Blanchard, Deborah A. Curtis, Ronald D. Lee, Soo-Mi Rhee, Nicholas L. Townsend, Junghyun Baek, Trevor G. Schmitt, Bell Johnson, and Dustin Vesey

61 U.S. Department of Justice and Department of Homeland Security Trade Fraud Guide: A Roadmap for False Claims Act Exposure
Keith Rosen, Ashley Kuempel, Ryan Meltzer, Cat McManus, and Bob Carmichael

67 U.S. Imposes New Tariffs and Minimum Import Prices on Polysilicon and Solar Products
Kevin E. Gaunt

73 Trade Enforcement Update
Anthony Rapa, Jennifer A. Short, Bradley L. Henry, Michael J. Schmandt, and Layla S. Najjar

EDITOR-IN-CHIEF

Steven A. Meyerowitz
President, Meyerowitz Communications Inc.

EDITOR

Victoria Prussen Spears
Senior Vice President, Meyerowitz Communications Inc.

BOARD OF EDITORS

Jen Fernandez
Partner
Sidley Austin LLP

Robert A. Friedman
Partner
Holland & Knight LLP

Geoffrey M. Goodale
Partner
Duane Morris LLP

Renée Latour
Partner
Clifford Chance

Britt Mosman
Partner
Willkie Farr & Gallagher LLP

Anthony Rapa
Partner
Blank Rome LLP

Brooke M. Ringel
Partner
Kelley Drye & Warren LLP

Samir D. Varma
Partner
Thompson Hine LLP

Timothy C. Welch
Partner
Weil, Gotshal & Manges LLP

THE GLOBAL TRADE LAW JOURNAL (ISSN 2995-1089) at $495.00 annually is published six times per year by Full Court Press, an imprint of Clio and Themis Solutions, Inc. Copyright 2027 Full Court Press, an imprint of Clio and Themis Solutions, Inc. No part of this journal may be reproduced in any form—by microfilm, xerography, or otherwise—or incorporated into any information retrieval system without the written permission of the copyright owner.

For customer support, please contact Full Court Press, 202.999.4777 (phone), or email customer service at support@fastcase.com.

Publishing Staff
Publisher: David Nayer
Production Editor: Sharon D. Ray
Cover Art Design: Morgan Morrissette Wright and Sharon D. Ray

This journal's cover features a 1855 depiction of the American clipper ship *Red Jacket* on her journey from Melbourne, Australia, to Liverpool, England. The artwork was originally created by Charles Parsons and Joseph B. Smith, and later lithographed and published by Nathaniel Currier. It is reproduced courtesy of The Met Museum's public domain library.

Cite this publication as:

The Global Trade Law Journal (Full Court Press)

This publication is sold with the understanding that the publisher is not engaged in rendering legal, accounting, or other professional services. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

Copyright © 2027 Full Court Press, an imprint of Clio and Themis Solutions, Inc. All Rights Reserved.
A Full Court Press, Clio, Publication

https://www.fastcase.com/

Articles and Submissions

Direct editorial inquiries and send material for publication to:

Steven A. Meyerowitz, Editor-in-Chief, Meyerowitz Communications Inc., 26910 Grand Central Parkway, #18R, Floral Park, NY 11005, smeyerowitz@meyerowitzcommunications.com, 631.291.5541.

Material for publication is welcomed—articles, decisions, or other items of interest to international attorneys and law firms, in-house counsel, corporate compliance officers, government agencies and their counsel, senior business executives, and others interested in global trade law.

This publication is designed to be accurate and authoritative, but neither the publisher nor the authors are rendering legal, accounting, or other professional services in this publication. If legal or other expert advice is desired, retain the services of an appropriate professional. The articles and columns reflect only the present considerations and views of the authors and do not necessarily reflect those of the firms or organizations with which they are affiliated, any of the former or present clients of the authors or their firms or organizations, or the editors or publisher.

QUESTIONS ABOUT THIS PUBLICATION?

For questions about the Editorial Content appearing in these volumes or reprint permission, please contact:

David Nayer, Publisher, Full Court Press at david.nayer@clio.com or at 202.999.4777

For questions or Sales and Customer Service:

Customer Service
Available 8 a.m.–8 p.m. Eastern Time
866.773.2782 (phone)
support@fastcase.com (email)

Sales
202.999.4777 (phone)
sales@fastcase.com (email)

ISSN 2995-1089

Trade Enforcement Update

Anthony Rapa, Jennifer A. Short, Bradley L. Henry, Michael J. Schmandt, and Layla S. Najjar*

In this column, the authors discuss recent trade enforcement developments.

Introduction and Current Trends

Trade enforcement and sanctions compliance has continued to accelerate in the second and third quarters of 2026. Since the creation of the Trade Fraud Task Force (TFTF) in August 2025, the Department of Justice (DOJ) has surpassed $1 billion in civil and criminal recoveries, penalties, forfeitures, and publicly charged losses.[1] This pace of enforcement is unprecedented in the trade fraud context and reflects the intense focus that the DOJ and its inter-agency partners currently have on combating customs fraud, tariff evasion, and related trade offenses.

DOJ National Fraud Enforcement Division Memorandum Establishes Global Trade and Commerce as a Top Enforcement Priority[2]

On August 13, 2026, Assistant Attorney General Colin M. McDonald issued a memorandum establishing enforcement priorities for DOJ's newly created National Fraud Enforcement Division, identifying "Global Trade and Commerce" as one of five principal areas of focus. The memorandum announced the creation of the Global Trade & Commerce Enforcement Section (GTCES) within the Division, which will lead DOJ's coordinated criminal enforcement strategy targeting customs evasion, illicit transshipment schemes, country-of-origin fraud, undervaluation of imported goods designed to evade duties, sanctions evasion, and foreign forced-labor schemes. The Fraud Division is expected to employ approximately 500 attorneys and staff. The establishment of the GTCES represents a significant institutional commitment to trade enforcement and signals that DOJ views trade fraud as a long-term strategic priority.

The Global Trade Law Journal / January-February 2027, Vol. 4, No. 1, pp. 73-78
© 2027 Full Court Press. All rights reserved
ISSN 2995-1089

DOJ Publishes Trade Fraud Enforcement Resource Guide[3]

In July 2026, the TFTF published a comprehensive Resource Guide to Trade Fraud Enforcement, outlining the federal government's enforcement framework for customs fraud, tariff evasion, forced labor violations, and related trade offenses. The Guide consolidates the statutory tools available to federal prosecutors and provides a detailed overview of the legal authorities underpinning trade fraud enforcement, including the Tariff Act of 1930, the False Claims Act (FCA), criminal smuggling statutes, the Lacey Act, and forced labor prohibitions under 19 U.S.C. § 1307.

President Trump Signs Executive Order on Strengthening Customs Enforcement[4]

On June 3, 2026, President Donald Trump signed Executive Order 14411, "Strengthening Customs Enforcement," directing the Secretary of Homeland Security and the Attorney General to prioritize enforcement of forced-labor imports, misclassification, undervaluation, and illegal transshipment. The Executive Order called for increased audits, strengthened importer-of-record requirements, and enhanced disclosures, reinforcing the administration's broader trade enforcement agenda.

Select Enforcement Actions

Perfectus Aluminum Agrees to Pay $549.5 Million to Settle False Claims Act Allegations[5]

In May 2026, Perfectus Aluminum, Inc. agreed to pay $549.5 million to settle FCA allegations related to evading antidumping and countervailing duties on aluminum extrusions imported from China. The settlement resolves civil allegations that, from July 2011 through June 2014, Perfectus misrepresented 2.2 million aluminum extrusions in the form of "pallets," as finished merchandise not subject to antidumping and countervailing duties, when the pallets were simply aluminum extrusions that were spot-welded together to make them appear to be functional, finished merchandise.

Boise Cascade Pleads Guilty to Lacey Act Violations[6]

In April 2026, Boise Cascade, a manufacturer and distributor of building materials, pleaded guilty and was sentenced for a felony violation of the Lacey Act for the company's role in a timber trafficking scheme to evade countervailing and antidumping duties. The company was sentenced to pay a fine of $6.3 million, which represented twice the gross profits it derived from the illegal wood at issue, and implement a compliance plan. As part of the scheme, Boise Cascade purchased, received, sold, and transported hardwood plywood from another company knowing (including actions manifesting willful blindness) that the hardwood plywood was illegally imported from China.

Royal Sovereign Sentenced to $8 Million in Criminal Fine and Restitution for Consumer Safety Reporting Failures[7]

In April 2026, Royal Sovereign, an importer of office and home appliances, was ordered to pay $8 million in criminal fines and restitution for failing to report dangerously defective imported air conditioners to the U.S. Consumer Product Safety Commission. The defective products were allegedly linked to more than 40 fires and one death.

OFAC Settles with Rice Lake Weighing Systems for $60,764 Over Iran Sanctions Violations[8]

In August 2026, the Office of Foreign Assets Control (OFAC) announced a $60,764 settlement with Rice Lake Weighing Systems, Inc., a Wisconsin-based manufacturer of weighing equipment, for eight apparent violations of the Iranian Transactions and Sanctions Regulations. The violations arose from the company's Italian subsidiary, Dini Argeo S.r.l., exporting weighing equipment to Iran through a UAE-based distributor between 2019 and 2021 with knowledge that the goods were ultimately destined for Iran. OFAC determined that the violations were voluntarily self-disclosed and non-egregious.

OFAC Settles with TradeStation Securities for $1.11 Million Over 481 Apparent Sanctions Violations[9]

In March 2026, OFAC announced a $1.11 million settlement with TradeStation Securities, Inc., a Florida-based brokerage firm, for 481 apparent violations of multiple sanctions programs. Between June 2021 and June 2022, TradeStation provided investment services to customers located in Iran, Syria, and Crimea following a series of compliance control failures, including defective geo-blocking technology and the failure of compliance personnel to test or validate sanctions-related screening tools. OFAC determined the conduct was non-egregious and voluntarily self-disclosed.

BIS Settles with Plexon, Inc. for Unlicensed Exports to Entity-Listed Chinese Military Research Institution[10]

In August 2026, the U.S. Department of Commerce's Bureau of Industry and Security (BIS) announced a $1.7 million civil penalty settlement with Plexon, Inc., a Texas-based neuroscience technology company, to resolve allegations that the company committed eight violations of the Export Administration Regulations (EAR). BIS alleged that, between February 2022 and August 2023, Plexon exported eight neural recording data acquisition systems and related accessories, valued at approximately $178,721, to China's Academy of Military Medical Sciences, an entity that was added to the BIS Entity List in December 2021 due to its alleged support for Chinese military biotechnology programs, including purported brain-control weaponry. According to BIS, Plexon manufactured the systems in the United States and exported them through its Asian distributor without obtaining the required export licenses.

BIS Settles with Container Manufacturing Ltd. Over Unlicensed Exports to Russia[11]

In August 2026, BIS announced a $1 million civil penalty settlement with Container Manufacturing Ltd. (CML), an Ohio-based supplier of aluminum can manufacturing equipment and spare parts, resolving allegations that the company committed ten violations of the EAR. BIS alleged that, between March 2023 and March 2025, CML exported spare parts for aluminum metalworking equipment, valued at approximately $264,721, to a Russian

customer without obtaining the licenses required under BIS's Russia-related industry-sector sanctions. Eight of the violations involved direct exports of restricted industrial items to Russia, while two additional violations stemmed from shipments that proceeded after the company received warnings from its bank and other red flags indicating that the transactions may have violated U.S. export controls. BIS alleged that CML continued to facilitate shipments through third-country intermediaries despite knowledge that the ultimate end user was located in Russia.

Conclusion and Recommendations

The enforcement actions and regulatory developments outlined above demonstrate a substantial escalation in the federal government's trade and sanctions enforcement posture. The TFTF's $1 billion milestone, the creation of the GTCES, and Executive Order 14411 collectively signal that trade enforcement will remain a top-tier priority for the foreseeable future. Industry participants should consider the following key takeaways:

- The institutional infrastructure for trade enforcement is expanding rapidly. The creation of the GTCES alongside the TFTF indicates that enforcement resources will continue to grow. Companies should expect increased scrutiny of import practices, customs declarations, and supply chain compliance.
- Voluntary self-disclosure continues to yield meaningful mitigation. Both the Rice Lake and TradeStation settlements involved voluntarily self-disclosed conduct, and both were determined to be non-egregious. Companies that identify potential violations should carefully consider the benefits of voluntary disclosure, which can result in reduced penalties.

Notes

* The authors, attorneys with Blank Rome LLP, may be contacted at anthony.rapa@blankrome.com, jennifer.short@blankrome.com, bradley.henry@blankrome.com, michael.schmandt@blankrome.com, and layla.najjar@blankrome.com, respectively.

1. Office of Public Affairs, Trade Fraud Task Force Surpasses $1 Billion in Recoveries and Charged Losses in Less Than One Year, United States Department of Justice (July 14, 2026), https://www.justice.gov/opa/pr/trade-fraud-task-force-surpasses-1-billion-recoveries-and-charged-losses-less-one-year.

2. https://www.justice.gov/opa/media/1457756/dl?inline.

3. A Resource Guide to Trade Fraud Enforcement (July 2026), https://www.justice.gov/fraud/media/1452331/dl?inline.

4. Executive Order 14411, Strengthening Customs Enforcement, The White House, https://www.whitehouse.gov/presidential-actions/2026/06/strengthening-customs-enforcement/.

5. Office of Public Affairs, Perfectus Aluminum Inc. and Related Companies Agree to Pay $549.5M to Settle False Claims Act Allegations Relating to Evaded Customs Duties, United States Department of Justice (May 12, 2026), https://www.justice.gov/opa/pr/perfectus-aluminum-inc-and-related-companies-agree-pay-5495m-settle-false-claims-act.

6. Office of Public Affairs, Boise Cascade Pleads Guilty and Is Sentenced for Violating the Lacey Act for Its Role in a Timber Trafficking Scheme, United States Department of Justice (Apr. 27, 2026), https://www.justice.gov/opa/pr/boise-cascade-pleads-guilty-and-sentenced-violating-lacey-act-its-role-timber-trafficking.

7. Office of Public Affairs, New Jersey Company Sentenced for Failing to Report Dangerously Defective Air Conditioners to the Consumer Product Safety Commission, United States Department of Justice (Apr. 28, 2026), https://www.justice.gov/opa/pr/new-jersey-company-sentenced-failing-report-dangerously-defective-air-conditioners-consumer.

8. Settlement Agreement Between the U.S. Department of the Treasury's Office of Foreign Assets Control and Rice Lake Weighing Systems, Inc., Office of Foreign Assets Control (Aug. 12, 2026), https://ofac.treasury.gov/recent-actions/20260812.

9. Settlement Agreement Between the U.S. Department of the Treasury's Office of Foreign Assets Control and TradeStation Securities, Inc., Office of Foreign Assets Control (Mar. 17, 2026), https://ofac.treasury.gov/recent-actions/20260317.

10. Order Relating to Plexon, Inc., Bureau of Industry and Security, https://www.bis.gov/media/documents/plexon-inc.-8-14-2026.pdf.

11. Order Relating to Container Manufacturing Ltd., Bureau of Industry and Security, https://www.bis.gov/media/documents/container-manufacturing-ltd-8-24-2026.pdf.