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USTR Seeks Comments on Whether to Extend Certain Product Exclusions Previously Granted in the China Section 301 Case

The Office of the U.S. Trade Representative (“USTR”) is seeking comments on whether to extend product exclusions from section 301 tariffs imposed on certain imports from China. Effective July 6, 2018, USTR imposed additional tariffs on certain goods from China with an annual trade volume of approximately \$34 billion (“List 1”). Comments on whether to extend these exclusions will be accepted from January 15, 2020 through February 15, 2020.

BACKGROUND

During 2018 and 2019, USTR imposed tariffs under section 301 of the Tariff Act of 1974 on three tranches or lists of imports from China covering thousands of products. Tariffs on products identified on List 1 were effective July 6, 2018. USTR subsequently initiated an exclusion process and granted multiple product-specific exclusions from the List 1 tariffs. The second set of such List 1 exclusions was granted in March 2019 and is set to expire on March 28, 2020. The products excluded in March 2019 are identified [here](#).

USTR has published a Federal Register [notice](#) announcing that it will consider a possible extension of up to 12 months for particular exclusions and is inviting comments on whether to extend certain exclusions. At this time, USTR is not considering comments on product exclusions other than those issued in March 2019.

According to the notice, exclusions will be evaluated on a case-by-case basis and will focus on whether the particular product remains available only from China. Factors such as (i) changes in the global supply chain since 2018, (ii) the efforts undertaken to source the products from outside China, and (iii) whether additional duties will result in severe



economic harm will be part of USTR's analysis and should be addressed in any comments filed.

The electronic docket for submission of such comments will open on January 15, 2020 and will close February 15, 2020.

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