

# Tariffs on Chinese Imports: Updates and Solutions

# Oscar Gonzalez, Instructor

Oscar Gonzalez is a principal of Gonzalez, Rolon, Valdespino, & Rodriguez, LLC, Attorneys. He represents clients across the world. He received his B.A. from Columbia University, his J.D. from the University of Michigan Law School, and studied public administration at the LBJ School of Government at the University of Texas at Austin and the JFK School of Government at Harvard University. Mr. Gonzalez's legal practice includes commercial litigation, international trade, export, import/customs, and general commercial practice.

oscarg@internationaltrade.law  
www.internationaltrade.law  
(469) 774-4793

Gonzalez • Rolon • Valdespino • Rodriguez, LLC, Attorneys  
www.internationaltrade.law

Don't confuse  
Section 301 with  
Section 232,  
Huawei, or  
Antidumping

# Section 301

# Tariff Exclusions

List 3 Tariff Exclusion  
Requests Portal  
opens June 30, 2019  
and closes  
September 30, 2019

[Billing Code 3290-F9]

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE**

**Docket Number USTR-2019-0005**

**Procedures for Requests to Exclude Particular Products from the September 2018**

**Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to  
Technology Transfer, Intellectual Property, and Innovation**

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Notice and request for comments.

**SUMMARY:** In a notice published on May 9, 2019, the United States Trade Representative (Trade Representative) announced that the Office of the U.S. Trade Representative (USTR) would establish a process by which U.S. stakeholders may request exclusion of particular products classified within a tariff subheading covered by the September 2018 action in this investigation from the additional duties. This notice announces that USTR will open an electronic portal for submission of exclusion requests on June 30, 2019, and sets out the specific procedures for submitting requests.

**DATES:**

*June 30, 2019 at noon EDT:* The web portal for submitting exclusion requests - <http://exclusions.USTR.gov> - will open.

*September 30, 2019:* Deadline for submitting exclusion requests.

Responses to individual exclusion requests are due 14 days after the request is posted on USTR's online portal. Any replies to responses to an exclusion request are due the later of 7 days after the close of the 14-day response period, or 7 days after the posting of a response.

**ADDRESSES:** You must submit all requests, responses to requests, and replies to responses through the online portal: <http://exclusions.USTR.gov>.

**FOR FURTHER INFORMATION CONTACT:** For questions about the product exclusion process, contact USTR Assistant General Counsels Philip Butler or Megan Grimball at (202) 395-5725. For questions on customs classification or implementation of additional duties, contact [traderemedycbp@dhs.gov](mailto:traderemedycbp@dhs.gov).

**SUPPLEMENTARY INFORMATION:**

**A. September 2018 Action**

For background on the proceedings in this investigation, please see the prior notices issued in the investigation, including 82 FR 40213 (August 24, 2017), 83 FR 14906 (April 6, 2018), 83 FR 28710 (June 20, 2018), 83 FR 33608 (July 17, 2018), 83 FR 38760 (August 7, 2018), 83 FR 40823 (August 16, 2018), 83 FR 47974 (September 21, 2018), as modified by 83 FR 49153 (September 28, 2018), and 84 FR 20549 (May 9, 2019), as modified by 84 FR 21892 (May 15, 2019) and 84 FR 26930 (June 10, 2019).

In a notice published on September 21, 2018 (83 FR 47974), the Trade Representative, at the direction of the President, announced a determination to modify the action being taken in the Section 301 investigation by imposing 10 percent additional duties on products of China with an annual trade value of approximately \$200 billion. On September 28, 2018 (83 FR 65198), the Trade Representative issued a conforming amendment and modification of the September 21 action. The current notice refers to the September 21 action, as modified by September 28 notice, as the "September 2018 action." In a notice published on May 9, 2019 (84 FR 20459), the Trade Representative,

at the direction of the President, increased the rate of additional duty for the September 2018 action to 25 percent.

**B. Procedures to Request the Exclusion of Particular Products**

USTR invites interested persons, including trade associations, to submit requests for exclusion from the additional duties under the September 2018 action. The September 2018 action covers the products classified within the Harmonized Tariff Schedule of the United States (HTSUS) subheadings set out in Annex A of the notice published at 83 FR 47974 (September 21, 2018) as amended and modified by 83 FR 49153 (September 28, 2018). As explained in more detail below, each request must specifically identify a particular product, and provide supporting data and the rationale for the requested exclusion. USTR will evaluate each request on a case-by-case basis, taking into account the asserted rationale for the exclusion, whether the exclusion would undermine the objective of the Section 301 investigation, and whether the request defines the product with sufficient precision. Any exclusion will be effective starting from the September 24, 2018 effective date of the September 2018 action, and extending for one year after the publication of the exclusion determination in the *Federal Register*. USTR will periodically announce decisions on pending requests.

To submit an exclusion request, requesters must first register on the portal at <http://exclusions.USTR.gov>. As noted above, the portal will open at noon EDT on June 30, 2019. After registration, the requester can fill out and submit one or more exclusion request forms.

Fields on the exclusion request form marked with an asterisk (\*) are required fields. Fields with a gray (BCI) notation are for Business Confidential Information and

the information entered will not be publicly available. Fields with a green (Public) notation will be publicly available. Additionally, parties will be able to upload documents and indicate whether the documents are BCI or public. Requesters will be able to review the public version of their submission before the submission is posted.

In order to facilitate preparation of requests prior to the June 30 opening of the web portal, a facsimile of the exclusion request form to be used on the portal is attached as an annex to this notice. Please note that the color-coding of public fields and BCI fields is not visible on the attached facsimile, but will be apparent on the actual form used on the portal.

Set out below is a summary of the information to be entered on the exclusion request form.

Each requester has to provide contact information, including the full legal name of the organization making the request, whether the requester is a third party (law firm, trade association, or customs broker) submitting on behalf of an organization or industry, and the primary point of contact (requester and/or third party submitter). The requester may report whether the requester's business satisfies the Small Business Administration's size standard for a small business, which are identified by North American Industry Classification Systems Codes and are found in 13 CFR 121.201.

With regard to product identification, any request for exclusion must include the following information:

The 10-digit subheading of the HTSUS applicable to the particular product requested for exclusion. If no 10-digit subheading is available (*i.e.* the 8-digit subheading does not contain breakouts at the 10-digit level), requesters should use the 8-digit subheading and

add “00”. Different models classified under different 8-digit or 10-digit subheadings are considered different products and require separate exclusion requests.

- Product name and a detailed description of the product. A detailed description of the product includes, but is not limited to, its physical characteristics (*e.g.*, dimensions, weight, material composition, etc.). Requesters may submit a range of comparable goods within the product definition set out in an exclusion request. Thus, a product request may include two or more goods with similar product characteristics or attributes. Goods with different SKUs, model numbers, or sizes are not necessarily different products.
- The products function, application (whether the product is designed to function in or with a particular machine or other device), principal use, and any unique physical features that distinguish it from other products within the covered 8-digit HTSUS subheading.

Requesters may submit attachments that help distinguish the product (*e.g.*, CBP rulings, photos and specification sheets, and previous import documentation). Documents submitted to support a requester’s product description must be made available for public inspection and contain no BCI. USTR will not consider requests that identify the product using criteria that cannot be made available for public inspection.

Requesters must provide their relationship to the product (Importer, U.S. Producer, Purchaser, Industry Association, Other) and provide specific data on the annual quantity and value of the Chinese-origin product, domestic product, and third-country product the requester purchased, in 2017, 2018, and the first quarter of 2019.

Requesters must provide information regarding their company’s gross revenues for 2018, the first quarter of 2018, and the first quarter of 2019.

For imports sold as final products, requesters must provide the percentage of their total gross sales in 2018 that sales of the Chinese-origin product accounted for.

For imports used in the production of final products, requesters must provide the percentage of the total cost of producing the final product(s) the Chinese-origin input accounts for and the percentage of their total gross sales in 2018 that sales of the final product(s) accounted for.

As noted in the attached facsimile, required information regarding the requester’s purchases and gross sales and revenue is BCI and the information entered will not be publicly available.

With regard to the rationale for the requested exclusion, each requester will be asked to address the following:

- Whether the particular product is available only from China and whether the particular product and/or a comparable product is available from sources in the United States and/or in third countries. The requester must provide an explanation if the product is not available outside of China or the requester is not sure of the product availability.
- Whether the requester has attempted to source the product from the United States or third countries.
- Whether the imposition of additional duties (since September 2018) on the particular product has or will cause severe economic harm to the requester or other U.S. interests.
- Whether the particular product is strategically important or related to “Made in China 2025” or other Chinese industrial programs.

In addressing each factor, the requester should provide support for their assertions. To provide information about the possible cumulative effects of the Section

301 tariff actions, requesters also may submit information about any exclusion requests submitted by the requester under the initial \$34 billion tariff action (Docket ID: USTR-2018-0025) or the additional \$16 billion tariff action (Docket ID: USTR-2018-0032) and the value of the requester's imports applicable to the previous tariff actions. Requesters also may provide any other information or data that they consider relevant to an evaluation of the request.

**C. Responses to Requests for Exclusions**

After a request for exclusion of a particular product is posted on USTR's online portal, interested persons will have 14 days to respond to the request, indicating support or opposition and providing reasons for their view. A response to a product exclusion request must be submitted using USTR's online portal at <http://exclusions.USTR.gov>. To file a response, an interested party does not have to register. Responses will be publicly available.

**D. Replies to Responses to Requests for Exclusions**

After a response is posted on USTR's online portal, the requester will have the opportunity to reply to the response using the same portal. Any reply must be submitted within the later of 7 days after the close of the 14 day response period, or 7 days after the posting of a response. A reply to a response must be submitted using USTR's online portal at <http://exclusions.USTR.gov>. Replies to responses will be publicly available.

**E. Submission Instructions**

As noted above, interested persons must submit requests for exclusions in the period between the opening of the portal on June 30, 2019, and the September 30, 2019 submission deadline. Any responses to those requests must be submitted within 14 days

after the requests are posted. Any reply to a response must be submitted within the later of 7 days after the close of the 14 day response period, or 7 days after the posting of a response. Interested persons seeking to exclude two or more products must submit a separate request for each product, *i.e.*, one product per request. As noted above, a single product may include two or more goods with similar product characteristics or attributes.

By submitting an exclusion request, a response, or a reply, the submitter certifies that the information provided is complete and correct to the best of his or her knowledge.

**F. Paperwork Reduction Act**

In accordance with the requirements of the Paperwork Reduction Act of 1995 (PRA) and its implementing regulations, USTR submitted a request to the Office of Management and Budget (OMB) for emergency review and clearance of this information collection request (ICR) titled *301 Exclusion Requests*. OMB assigned control number 0350-0015, which is due to expire on December 31, 2019. USTR intends to submit the information collection to OMB for review and approval of a three-year extension of the control number.

Joseph Barloon  
General Counsel  
Office of the U.S. Trade Representative.

# Exclusion Request Form

## 1. Submitter Information

Full Organization Legal Name \* (Public)

Requestor First Name \* (BCI)

Requestor Last Name \* (BCI)

Requestor Mailing Address

Street Address Line 1 \* (BCI)

Street Address Line 2 (BCI)

City \* (BCI)

State \* (BCI)

Zip Code \* (BCI)

Country \* (BCI)

Requestor E-mail Address \* (BCI)

Requestor Phone Number \* (BCI)

**Does your business meet the size standards for a small business as established by the Small Business Administration? \* (Public)** YES/NO

**Are you a third party, such as a law firm, trade association, or customs broker, submitting on behalf of an organization or industry? \* (Public)** YES/NO

\*Note: If you are submitting on behalf of an organization/industry, the information below is required.

Third Party Firm/Association Name (Public)

Third Party First Name (BCI)

Third Party Last Name (BCI)

Third Party Mailing Address

Street Address Line 1 (BCI)

Street Address Line 2 (BCI)

City (BCI)

State (BCI)

Zip Code (BCI)

Country (BCI)

Third Party E-mail Address (BCI)

Third Party Phone Number (BCI)

**Who is your importer of record? (BCI)**

**Who will be the primary point of contact? (Select One) \* (BCI)**

- Requestor
- Third Party Submitter
- Requestor and Third Party Submitter

2. **Please provide the 10-digit HTSUS item number\* for the product you wish to address in this product exclusion request. A 10-digit HTSUS number is required. \* (Public)**

\*Use numerical characters only with no special characters (Example: 1023456789). For help with finding the HTSUS item number associated with your product, see <https://hts.usitc.gov/>.

3. **Please provide a complete and detailed description of the particular product of concern.\*** (A detailed description of the product includes, but is not limited to, its physical characteristics (e.g., dimensions, weight, material composition, etc.), whether product is designed to function in or with a particular machine (application), and any unique physical features that distinguish it from other products within the covered 8-digit HTSUS subheading. If needed, please attach images and specification sheets, CBP rulings, court decisions, and previous import documentation below.) **Please also describe the product's principal use.**

\*USTR will not consider requests that identify the product using criteria that cannot be made available to the public. USTR will not consider requests in which more than one unique product is identified.

**Product Name \* (Public)**

**Product Description (e.g. dimensions, weight, material composition, etc.) \* (Public)**

**Product Function, Application, and Principal Use (Public)**

**Please upload any relevant attachments that will help identify and distinguish your product (e.g. CBP rulings, photos and specification sheets, and previous import documentation) (Public)**

4. Requestor's relationship to the product (select all that apply) \* (Public)

- Importer
- U.S. Producer
- Purchaser
- Industry Association
- Other

5. Is this product, or a comparable product, available from sources in the United States? (If you indicate "NO" or "NOT SURE," in the box below, you must explain why the product is unavailable or why you are unsure of the product's availability.) \* (Public)

- YES
- NO
- NOT SURE

Please explain why the product is unavailable or why you are unsure of the product's availability. (Submitter Determines BCI or Public)

6. Is this product, or a comparable product, available from sources in third countries? (If you indicate "NO" or "NOT SURE," in the box below, you must explain why the product is unavailable or why you are unsure of the product's availability.) \* (Public)

- YES
- NO
- NOT SURE

Please explain why the product is unavailable or why you are unsure of the product's availability. (Submitter Determines BCI or Public)

7. Please discuss any attempts to source this product from United States or third countries. \* (Public)

8. Please provide the value in USD and quantity (with units) of the Chinese-origin product of concern that you purchased in 2017, 2018, and the first quarter of 2019. Limit this figure to the products purchased by your firm (or by members of your trade association). Please provide estimates if precise figures are unavailable. \* (BCI)

2017 Value:                      2017 Quantity:  
 2018 Value:                      2018 Quantity:  
 2019 Q1 Value:                      2019 Q1 Quantity:

Are the provided figures estimates?: \* (BCI) YES/NO

Are any of these purchases from a related company? \* (BCI) YES/NO

Please list the name and relationship of the related company. (BCI)

9. Please provide the value in USD and quantity (with units) of the product of concern that you purchased from any third-country source in 2017, 2018, and the first quarter of 2019. Limit this figure to the products purchased by your firm (or by members of your trade association). Please provide estimates if precise figures are unavailable. \* (BCI)

2017 Value:                      2017 Quantity:  
 2018 Value:                      2018 Quantity:  
 2019 Q1 Value:                      2019 Q1 Quantity:

Are the provided figures estimates?: \* (BCI) YES/NO

10. Please provide the value in USD and quantity (with units) of the product of concern that you purchased from domestic sources in 2017, 2018, and the first quarter of 2019. Limit this figure to the products purchased by your firm (or by members of your trade association). Please provide estimates if precise figures are unavailable. \* (BCI)

2017 Value:                      2017 Quantity:  
 2018 Value:                      2018 Quantity:  
 2019 Q1 Value:                      2019 Q1 Quantity:

Are the provided figures estimates?: \* (BCI) YES/NO

11. Please provide information regarding your company's gross revenue in USD for 2018, the first quarter of 2018, and the first quarter of 2019. \* (BCI)

Fiscal Year 2018:  
 First Quarter 2018:  
 First Quarter 2019:

Are the provided figures estimates?: \* (BCI) YES/NO

12. Is the Chinese-origin product of concern sold as a final product or as an input used in the production of a final product or products? \* (Public)

a) For imports sold as final products, please provide: (BCI)

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE  
WASHINGTON, D.C. 20508

May 29, 2019

RE: Product Exclusion Request Number: USTR-2018-0025-9760

ABC Group Inc:

I am pleased to notify you that the United States Trade Representative has determined to grant the above-referenced exclusion request submitted pursuant to the notice published at 83 FR 32181 ('July 11 notice'). The exclusion determination is set out in a formal notice which has been submitted to Office of the Federal Register for publication ('the exclusion notice'). A pre-publication version of the exclusion notice has been posted on the USTR website, at [https://ustr.gov/sites/default/files/enforcement/301Investigations/Notice\\_of\\_Product\\_Exclusions\\_5-30-2019.pdf](https://ustr.gov/sites/default/files/enforcement/301Investigations/Notice_of_Product_Exclusions_5-30-2019.pdf).

The scope of the exclusion is governed by the formal HTSUS language in the annex to the product exclusion notice, and not by the product descriptions set out in any particular request for exclusion. An exclusion in response to your request has been granted by excluding from the additional tariffs products covered by a specially drafted description contained in the annex to the product exclusion notice.

In accordance with the July 11 notice, the exclusion applies as of the July 6, 2018 effective date of the tariff action, and will extend for one year after the exclusion notice is published in the *Federal Register*. As stated in the exclusion notice, U.S. Customs and Border Protection will issue additional instructions on entry guidance and implementation

Sincerely,



Joseph Barloon  
General Counsel

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE  
WASHINGTON, D.C. 20508

February 4, 2019

RE: Product Exclusion Request Number: USTR-2018-0025-10477

A.W. Chesterton Company:

The purpose of this letter is to inform you that the product exclusion request referenced above has been denied. As you are aware, USTR published a *Federal Register* notice (83 FR 28710) on June 20, 2018, that announced the Trade Representative's determination to impose an additional duty of 25 percent on certain products from China. On July 11, 2018, the Trade Representative published a *Federal Register* notice (83 FR 32181) which announced that a process had been established under which interested persons could request that products falling within a covered HTSUS subheading be excluded from the additional duties announced on June 20.

Your request was reviewed in accordance with the factors and procedures set forth in Section B(1) of the July 11 notice. Based on that review, and after careful consideration, your request was denied because the request failed to show that the imposition of additional duties on the particular product would cause severe economic harm to you or other U.S. interests.

Because USTR will grant exclusion requests on a product specific basis, you may still benefit from a product exclusion if a similar product is granted an exclusion. Products for which an exclusion has been granted will be periodically announced on the USTR website. Product exclusions will become legally effective once published in the *Federal Register*.

Sincerely,



Stephen P. Vaughn  
General Counsel

ustr-2018-0025

ustr-2018-0025

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Procedures to Consider Requests for Exclusion of Particular Products from the Determination of Action Pursuant to S...

Agency: Office of United States Trade Representative (USTR)

Summary: Lead Attorney: Arthur Tsao

Exclusion Denied, MP Hollywood LLC d/b/a Mechanical Products, automatic circuit breakers, HTS 8536200020

Comment Period Closed  
Aug 05, 2018 11:59 PM ET

Other by USTR on 07/16/2018 ID: USTR-2018-0025-0010

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Exclusion Denied, NYC America LLP, gasket, HTS 8484900000

Comment Period Closed  
Aug 05, 2018 11:59 PM ET

Other by USTR on 07/16/2018 ID: USTR-2018-0025-0011

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Exclusion Denied, S LED Technology Corp, parking lot light, HTS 8541900000

Comment Period Closed  
Aug 06, 2018 11:59 PM ET

Other by USTR on 07/16/2018 ID: USTR-2018-0025-0009

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Exclusion Denied, HTE Investment Group LLC, Intense pulse system, HTS 9018907580

Comment Period Closed  
Aug 07, 2018 11:59 PM ET

Other by USTR on 07/16/2018 ID: USTR-2018-0025-0006

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Exclusion Denied, JS LED Technology Corp, parking lot light, HTS 8541290095

Comment Period Closed



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## Section 301 Investigations

### China Forced Technology Transfer Investigation

#### Initiation

[China Technology Transfer: Federal Register Notice – August 24, 2017](#)

#### Determination on China's Acts, Policies and Practices

Status: *Completed*

[China Technology Transfer: Hearing Transcript – October 10, 2017](#)

[China Technology Transfer: Hearing Witness List – October 10, 2017](#)

[Section 301 Report on China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation – March 22, 2018](#)

[301 Investigation Executive Summary – March 22, 2018](#)

[Determination, FRN - April 6, 2018](#)

### Trade Action Against China's Unfair Trade Policies and Practices

#### Initial \$34 Billion Trade Action (Regulations.gov Docket ID: USTR-2018-0005)

Status: *Completed*

[Proposed Tariff Action on Chinese Products – April 6, 2018](#)

[Proposed Section 301 Tariffs on China: Hearing Schedule and Witness List – May 15, 2018](#)

[Section 301 Hearings](#)

[Notice of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation - June 20, 2018](#)

[Section 301 Exclusion Request Guidelines – July 18, 2018](#)

#### Product Exclusion Process on Initial \$34 Billion Trade Action\* (Regulations.gov Docket ID: USTR-2018-0025)

Status: *Review of Exclusion Requests in Process*

[Section 301 Exclusion Request Form – September 18, 2018](#)

[Procedures to Consider Requests for Exclusion of Particular Products from the Determination of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation – July 11, 2018](#)

[Initial \\$34 Billion Trade Action Index of Product Exclusion Requests and Review Status](#)

[CBP Guidance on Requesting Liquidation Extension](#)

**USTR Grants First Round of Product Exclusions:** On Dec. 21, 2018, the Office of the U.S. Trade Representative submitted for publication a Federal Register Notice to modify the Harmonized Tariff Schedule in order to grant nearly 1,000 product exclusion requests from tariffs that went into effect on July 6 on approximately \$34 billion worth of imports from China. Additional decisions on product exclusion requests will be announced periodically. To view the Federal Register Notice, click [here](#). To view the updated index of product exclusions requests, click [here](#). To view guidance from Customs and Border Protection on how to operationalize exclusions granted by the Dec. 28 Federal Register notice, click [here](#).

[Exclusions Granted March 25, 2019](#)

[Exclusions Granted April 18, 2019](#)

[Exclusions Granted May 14, 2019](#)

[Exclusions Granted June 4, 2019](#)

\*The docket to submit exclusion requests for the initial \$34 billion trade action closed on October 9, 2018.

#### Additional \$16 Billion Trade Action (Regulations.gov Docket ID: USTR-2018-0018)

Status: *Completed*

[Request for Public Comment Concerning Proposed Determination of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation – June 20, 2018](#)

[Section 301 Tariffs Hearing Panel Schedule - July 23, 2018](#)

[Notice of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation - August 16, 2018](#)

[Section 301 Hearings](#)

[Final Second Tranche](#)

#### Product Exclusion Process on Additional \$16 Billion Trade Action\*\* (Regulations.gov Docket ID: USTR-2018-0032)

Status: *Review of Exclusion Requests in Process*

[Section 301 Exclusion Request Form – September 18, 2018](#)

[Procedures to Consider Requests for Exclusion of Particular Products From the Additional Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation - September 18, 2018](#)

[Additional \\$16 Billion Trade Action Index of Product Exclusion Requests and Review Status](#)

\*\*The docket to submit exclusion requests for the additional \$16 billion trade action closed on December 18, 2018.

### Section 301-China

[How to Navigate the Section 301 Tariff Process](#)

[Section 301 Exclusion Process](#)

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# Section 301 Investigations

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## \$200 Billion Trade Action [\(Regulations.gov Docket ID: USTR-2018-0026\)](#)

Status: *Completed*

[Request for Comments Concerning Proposed Modification of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) – July 17, 2018

[Federal Register Notice on Extended Comment Period](#) - August 7, 2018

[Tariff List \(83 FR 47974, as amended and modified by 83 FR 49153\)](#) - October 4, 2018

[Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) - September 21, 2018

[Conforming Amendment and Modification to Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) - September 28, 2018

[Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) - December 19, 2018

[Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) - March 5, 2019

[Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) – May 9, 2019

[Implementing Modification to Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) - May 15, 2019

*To view guidance from Customs and Border Protection on goods subject to additional duties imposed under the \$200 billion trade action, click [here](#).*

[Requests for Emergency Clearance of a Collection of Information by the Office of the Management and for Comments](#) - May 21, 2019

[Additional Implementing Modification to Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) - June 10, 2019

[Procedures for Requests to Exclude Particular Products from the September 2018 Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) - June 19, 2019

## \$300 Billion Trade Action [\(Regulations.gov Docket ID: USTR-2019-0004\)](#)

Status: *Docket Open for Comment*

[Request for Comments Concerning Proposed Modification of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) – May 17, 2019

## Update Concerning China's Acts, Policies and Practices Related to Technology Transfer, Intellectual Property, and Innovation

[Update Concerning China's Acts, Policies and Practices Related to Technology Transfer, Intellectual Property, and Innovation](#) – November 20, 2018



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## How to Navigate the Section 301 Tariff Process

- **Step One: Know Your HTS Subheading**
  - Every product subject to a proposed or ongoing Section 301 tariff action is identified by an 8-digit or 10-digit HTS Subheading. This search engine allows you to search by an 8-digit HTS Subheading to obtain information about a proposed or ongoing Section 301 tariff action.
  - If you do not know the HTS subheading for your product, please contact your supplier, distributor, or customs broker.
  - Don't know what an HTS Subheading is? To learn more, visit [https://www.usitc.gov/tariff\\_affairs/about\\_hts.htm](https://www.usitc.gov/tariff_affairs/about_hts.htm).
- **Step Two: Find Your HTS Subheading**
  - The HTS Subheadings are sorted into four separate tariff actions:
    - The \$34 Billion Tariff Action (Tranche 1);
    - The \$16 Billion Tariff Action (Tranche 2);
    - The \$200 Billion Tariff Action (Tranche 3); and
    - The Proposed \$300 Billion Tariff Action (Tranche 4).

- To determine if an HTS Subheading is subject to a proposed or ongoing Section 301 Tariff Action, enter the 8-digit HTS Subheading into the search field, and press SEARCH.
- Each HTS Subheading includes a corresponding product description.
- **Step Three: Submit a Comment or Exclusion Request Based on Your HTS Subheading**
  - If the comment period or product exclusion request period is open for a Section 301 tariff action, the due date will include a hyperlink that will direct you to the relevant [regulations.gov](https://www.regulations.gov) electronic docket where a comment or product exclusion request may be submitted.
- For product exclusion status, click [here](#).

### Section 301-China

[How to Navigate the Section 301 Tariff Process](#)

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### Enter 8-digit HTS Subheading

Search ...

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Home » Issue Areas » Enforcement » Section 301 Investigations » Section 301-China

# Section 301 Exclusion Process

Section 301 Hotline: (202) 395-5725

[How to Navigate the Section 301 Tariff Process](#)

## Initial \$34 Billion Trade Action

[List of Products](#)

[Procedures to Consider Requests for Exclusion of Particular Products from the Determination of Action Pursuant to Section 301](#)

[Product Exclusion Docket at Regulations.gov \(Docket ID: USTR-2018-0025\)\\*](#)

[How to Describe Your Product](#)

[Exclusion Request Form](#)

[Initial \\$34 Billion Trade Action Index of Product Exclusion Requests and Review Status](#)

[Initial \\$34 Billion Trade Action Exclusion Process FAQs](#)

**USTR Grants First Round of Product Exclusions:** On Dec. 21, 2018, the Office of the U.S. Trade Representative submitted for publication a Federal Register Notice to modify the Harmonized Tariff Schedule in order to grant nearly 1,000 product exclusion requests from tariffs that went into effect on July 6 on approximately \$34 billion worth of imports from China. Additional decisions on product exclusion requests will be announced periodically. To view the Federal Register Notice, click [here](#). To view the updated index of product exclusions requests, click [here](#). To view guidance from Customs and Border Protection on how to operationalize exclusions granted by the Dec. 28 Federal Register notice, click [here](#).

[Exclusions Granted March 25, 2019](#)

*To view guidance from Customs and Border Protection on how to operationalize exclusions granted by the Mar. 25 Federal Register notice, click [here](#).*

[Exclusions Granted April 18, 2019](#)

*To view guidance from Customs and Border Protection on how to operationalize exclusions granted by the Apr. 18 Federal Register notice, click [here](#).*

[Exclusions Granted May 14, 2019](#)

*To view guidance from Customs and Border Protection on how to operationalize exclusions granted by the May 14 Federal Register notice, click [here](#).*

[Exclusions Granted June 4, 2019](#)

\*The docket to submit exclusion requests for the initial \$34 billion trade action closed on October 9, 2018.

## Additional \$16 Billion Trade Action

[List of Products](#)

[Procedures to Consider Requests for Exclusion of Particular Products from the Determination of Action Pursuant to Section 301](#)

[Product Exclusion Docket at Regulations.gov \(USTR-2018-0032\)\\*\\*](#)

[How to Describe Your Product](#)

[Exclusion Request Form](#)

[Additional \\$16 Billion Trade Action Index of Product Exclusion Requests and Review Status](#)

[Additional \\$16 Billion Trade Action Exclusion Process FAQs](#)

\*\*The docket to submit exclusion requests for the additional \$16 billion trade action closed on December 18, 2018.

### Section 301-China

[How to Navigate the Section 301 Tariff Process](#)

[Section 301 Exclusion Process](#)

[Record of Section 301 Investigation](#)



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# Section 301 Exclusion Process

Section 301 Hotline: (202) 395-5725

[How to Navigate the Section 301 Tariff Process](#)

## Initial \$34 Billion Trade Action

[List of Products](#)

[Procedures to Consider Requests for Exclusion of Particular Products from the Determination of Action Pursuant to Section 301](#)

[Product Exclusion Docket at Regulations.gov \(Docket ID: USTR-2018-0025\)\\*](#)

[How to Describe Your Product](#)

[Exclusion Request Form](#)

[Initial \\$34 Billion Trade Action Index of Product Exclusion Requests and Review Status](#)

[Initial \\$34 Billion Trade Action Exclusion Process FAQs](#)

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\*The docket to submit exclusion requests for the initial \$34 billion trade action closed on October 9, 2018.

## Additional \$16 Billion Trade Action

[List of Products](#)

[Procedures to Consider Requests for Exclusion of Particular Products from the Determination of Action Pursuant to Section 301](#)

[Product Exclusion Docket at Regulations.gov \(USTR-2018-0032\)\\*\\*](#)

[How to Describe Your Product](#)

[Exclusion Request Form](#)

[Additional \\$16 Billion Trade Action Index of Product Exclusion Requests and Review Status](#)

[Additional \\$16 Billion Trade Action Exclusion Process FAQs](#)

\*\*The docket to submit exclusion requests for the additional \$16 billion trade action closed on December 18, 2018.

### Section 301-China

[How to Navigate the Section 301 Tariff Process](#)

[Section 301 Exclusion Process](#)

[Record of Section 301 Investigation](#)

**Section 301 Investigation: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation - Form to Request Exclusion of Product**

When submitting a product exclusion request using this form, enter the specified information in the following fields and explain the basis and rationale for your statements. **By completing this form, you certify that the information provided is complete and correct to the best of your knowledge.**

1. Indicate whether the comment contains business confidential information (BCI), is a public document, or is a public version of a BCI document.

2. Please provide a complete and detailed description of the particular product of concern:

3. 10-digit HTSUS item number\* for product you wish to address in this product exclusion request:

\*Use numerical characters only with no special characters (example: 1023456789). For help in finding the HTSUS item number associated with your product, see <https://hts.usitc.gov/>

**4. Requestor Information**

Requestor Name (Last, First):

Organization Name:

Note: Representatives submitting on behalf of an organization must enter information below.

Requestor Representative:

5. Requestor's relationship to the product:

6. Does this submission in regulations.gov include additional attachments?

7. Please indicate whether any additional attachment contains business confidential information (BCI), is a public document, or is a public version of a BCI document.

8. Is this product, or a comparable product, available from sources in the United States? (If you indicate "NO", you must provide support for your assertion in Box 12).

9. Is this product, or a comparable product, available from sources in third countries? (If you indicate "NO", you must provide support for your assertion in Box 12).

10. Please provide the value and quantity (with units) of the Chinese-origin product of concern that you purchased for each calendar year specified. Limit this figure to the products purchased by your firm (or by members of your trade association) alone. Please provide estimates if precise figures are unavailable.

2017 Value: 2017 Quantity:

2016 Value: 2016 Quantity:

2015 Value: 2015 Quantity:

11. Is the Chinese-origin product of concern sold as a final product or an input used in the production of a final product or products?

- a) For imports sold as final products, please provide:

% of your total gross sales in 2017 that the Chinese-origin product accounted for.

- b) For imports of inputs used in the production of final products, please provide:

% of the total cost of producing the final product(s) the Chinese-origin input accounts for.

% of your total gross sales in 2017 that sales of the final product(s) incorporating the input accounted for.

12. Please provide information in support your request, taking account of the instructions provided in Section B of the Federal Register notice. If you responded "NO" to Questions 8 or 9, you must provide support for your assertion in the box below. (Note: text entered below can extend beyond the apparent size of this box).

[Billing Code 3290-F9]

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE**

**Docket Number USTR-2019-0005**

**Procedures for Requests to Exclude Particular Products from the September 2018**

**Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to  
Technology Transfer, Intellectual Property, and Innovation**

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Notice and request for comments.

**SUMMARY:** In a notice published on May 9, 2019, the United States Trade Representative (Trade Representative) announced that the Office of the U.S. Trade Representative (USTR) would establish a process by which U.S. stakeholders may request exclusion of particular products classified within a tariff subheading covered by the September 2018 action in this investigation from the additional duties. This notice announces that USTR will open an electronic portal for submission of exclusion requests on June 30, 2019, and sets out the specific procedures for submitting requests.

**DATES:**

*June 30, 2019 at noon EDT:* The web portal for submitting exclusion requests - <http://exclusions.USTR.gov> - will open.

*September 30, 2019:* Deadline for submitting exclusion requests.

Responses to individual exclusion requests are due 14 days after the request is posted on USTR's online portal. Any replies to responses to an exclusion request are due the later of 7 days after the close of the 14-day response period, or 7 days after the posting of a response.

**ADDRESSES:** You must submit all requests, responses to requests, and replies to responses through the online portal: <http://exclusions.USTR.gov>.

**FOR FURTHER INFORMATION CONTACT:** For questions about the product exclusion process, contact USTR Assistant General Counsels Philip Butler or Megan Grimball at (202) 395-5725. For questions on customs classification or implementation of additional duties, contact [traderemedycbp@dhs.gov](mailto:traderemedycbp@dhs.gov).

**SUPPLEMENTARY INFORMATION:**

**A. September 2018 Action**

For background on the proceedings in this investigation, please see the prior notices issued in the investigation, including 82 FR 40213 (August 24, 2017), 83 FR 14906 (April 6, 2018), 83 FR 28710 (June 20, 2018), 83 FR 33608 (July 17, 2018), 83 FR 38760 (August 7, 2018), 83 FR 40823 (August 16, 2018), 83 FR 47974 (September 21, 2018), as modified by 83 FR 49153 (September 28, 2018), and 84 FR 20549 (May 9, 2019), as modified by 84 FR 21892 (May 15, 2019) and 84 FR 26930 (June 10, 2019).

In a notice published on September 21, 2018 (83 FR 47974), the Trade Representative, at the direction of the President, announced a determination to modify the action being taken in the Section 301 investigation by imposing 10 percent additional duties on products of China with an annual trade value of approximately \$200 billion. On September 28, 2018 (83 FR 65198), the Trade Representative issued a conforming amendment and modification of the September 21 action. The current notice refers to the September 21 action, as modified by September 28 notice, as the "September 2018 action." In a notice published on May 9, 2019 (84 FR 20459), the Trade Representative,

at the direction of the President, increased the rate of additional duty for the September 2018 action to 25 percent.

**B. Procedures to Request the Exclusion of Particular Products**

USTR invites interested persons, including trade associations, to submit requests for exclusion from the additional duties under the September 2018 action. The September 2018 action covers the products classified within the Harmonized Tariff Schedule of the United States (HTSUS) subheadings set out in Annex A of the notice published at 83 FR 47974 (September 21, 2018) as amended and modified by 83 FR 49153 (September 28, 2018). As explained in more detail below, each request must specifically identify a particular product, and provide supporting data and the rationale for the requested exclusion. USTR will evaluate each request on a case-by-case basis, taking into account the asserted rationale for the exclusion, whether the exclusion would undermine the objective of the Section 301 investigation, and whether the request defines the product with sufficient precision. Any exclusion will be effective starting from the September 24, 2018 effective date of the September 2018 action, and extending for one year after the publication of the exclusion determination in the *Federal Register*. USTR will periodically announce decisions on pending requests.

To submit an exclusion request, requesters must first register on the portal at <http://exclusions.USTR.gov>. As noted above, the portal will open at noon EDT on June 30, 2019. After registration, the requester can fill out and submit one or more exclusion request forms.

Fields on the exclusion request form marked with an asterisk (\*) are required fields. Fields with a gray (BCI) notation are for Business Confidential Information and

the information entered will not be publicly available. Fields with a green (Public) notation will be publicly available. Additionally, parties will be able to upload documents and indicate whether the documents are BCI or public. Requesters will be able to review the public version of their submission before the submission is posted.

In order to facilitate preparation of requests prior to the June 30 opening of the web portal, a facsimile of the exclusion request form to be used on the portal is attached as an annex to this notice. Please note that the color-coding of public fields and BCI fields is not visible on the attached facsimile, but will be apparent on the actual form used on the portal.

Set out below is a summary of the information to be entered on the exclusion request form.

Each requester has to provide contact information, including the full legal name of the organization making the request, whether the requester is a third party (law firm, trade association, or customs broker) submitting on behalf of an organization or industry, and the primary point of contact (requester and/or third party submitter). The requester may report whether the requester's business satisfies the Small Business Administration's size standard for a small business, which are identified by North American Industry Classification Systems Codes and are found in 13 CFR 121.201.

With regard to product identification, any request for exclusion must include the following information:

- The 10-digit subheading of the HTSUS applicable to the particular product requested for exclusion. If no 10-digit subheading is available (*i.e.* the 8-digit subheading does not contain breakouts at the 10-digit level), requesters should use the 8-digit subheading and

add “00”. Different models classified under different 8-digit or 10-digit subheadings are considered different products and require separate exclusion requests.

- Product name and a detailed description of the product. A detailed description of the product includes, but is not limited to, its physical characteristics (*e.g.*, dimensions, weight, material composition, etc.). Requesters may submit a range of comparable goods within the product definition set out in an exclusion request. Thus, a product request may include two or more goods with similar product characteristics or attributes. Goods with different SKUs, model numbers, or sizes are not necessarily different products.
- The products function, application (whether the product is designed to function in or with a particular machine or other device), principal use, and any unique physical features that distinguish it from other products within the covered 8-digit HTSUS subheading.

Requesters may submit attachments that help distinguish the product (*e.g.*, CBP rulings, photos and specification sheets, and previous import documentation). Documents submitted to support a requester’s product description must be made available for public inspection and contain no BCI. USTR will not consider requests that identify the product using criteria that cannot be made available for public inspection.

Requesters must provide their relationship to the product (Importer, U.S. Producer, Purchaser, Industry Association, Other) and provide specific data on the annual quantity and value of the Chinese-origin product, domestic product, and third-country product the requester purchased, in 2017, 2018, and the first quarter of 2019.

Requesters must provide information regarding their company’s gross revenues for 2018, the first quarter of 2018, and the first quarter of 2019.

For imports sold as final products, requesters must provide the percentage of their total gross sales in 2018 that sales of the Chinese-origin product accounted for.

For imports used in the production of final products, requesters must provide the percentage of the total cost of producing the final product(s) the Chinese-origin input accounts for and the percentage of their total gross sales in 2018 that sales of the final product(s) accounted for.

As noted in the attached facsimile, required information regarding the requester’s purchases and gross sales and revenue is BCI and the information entered will not be publicly available.

With regard to the rationale for the requested exclusion, each requester will be asked to address the following:

- Whether the particular product is available only from China and whether the particular product and/or a comparable product is available from sources in the United States and/or in third countries. The requester must provide an explanation if the product is not available outside of China or the requester is not sure of the product availability.
- Whether the requester has attempted to source the product from the United States or third countries.
- Whether the imposition of additional duties (since September 2018) on the particular product has or will cause severe economic harm to the requester or other U.S. interests.
- Whether the particular product is strategically important or related to “Made in China 2025” or other Chinese industrial programs.

In addressing each factor, the requester should provide support for their assertions. To provide information about the possible cumulative effects of the Section

301 tariff actions, requesters also may submit information about any exclusion requests submitted by the requester under the initial \$34 billion tariff action (Docket ID: USTR-2018-0025) or the additional \$16 billion tariff action (Docket ID: USTR-2018-0032) and the value of the requester's imports applicable to the previous tariff actions. Requesters also may provide any other information or data that they consider relevant to an evaluation of the request.

**C. Responses to Requests for Exclusions**

After a request for exclusion of a particular product is posted on USTR's online portal, interested persons will have 14 days to respond to the request, indicating support or opposition and providing reasons for their view. A response to a product exclusion request must be submitted using USTR's online portal at <http://exclusions.USTR.gov>. To file a response, an interested party does not have to register. Responses will be publicly available.

**D. Replies to Responses to Requests for Exclusions**

After a response is posted on USTR's online portal, the requester will have the opportunity to reply to the response using the same portal. Any reply must be submitted within the later of 7 days after the close of the 14 day response period, or 7 days after the posting of a response. A reply to a response must be submitted using USTR's online portal at <http://exclusions.USTR.gov>. Replies to responses will be publicly available.

**E. Submission Instructions**

As noted above, interested persons must submit requests for exclusions in the period between the opening of the portal on June 30, 2019, and the September 30, 2019 submission deadline. Any responses to those requests must be submitted within 14 days

after the requests are posted. Any reply to a response must be submitted within the later of 7 days after the close of the 14 day response period, or 7 days after the posting of a response. Interested persons seeking to exclude two or more products must submit a separate request for each product, *i.e.*, one product per request. As noted above, a single product may include two or more goods with similar product characteristics or attributes.

By submitting an exclusion request, a response, or a reply, the submitter certifies that the information provided is complete and correct to the best of his or her knowledge.

**F. Paperwork Reduction Act**

In accordance with the requirements of the Paperwork Reduction Act of 1995 (PRA) and its implementing regulations, USTR submitted a request to the Office of Management and Budget (OMB) for emergency review and clearance of this information collection request (ICR) titled *301 Exclusion Requests*. OMB assigned control number 0350-0015, which is due to expire on December 31, 2019. USTR intends to submit the information collection to OMB for review and approval of a three-year extension of the control number.

Joseph Barloon  
General Counsel  
Office of the U.S. Trade Representative.

# Exclusion Request Form

## 1. Submitter Information

Full Organization Legal Name \* (Public)

Requestor First Name \* (BCI)

Requestor Last Name \* (BCI)

Requestor Mailing Address

Street Address Line 1 \* (BCI)

Street Address Line 2 (BCI)

City \* (BCI)

State \* (BCI)

Zip Code \* (BCI)

Country \* (BCI)

Requestor E-mail Address \* (BCI)

Requestor Phone Number \* (BCI)

Does your business meet the size standards for a small business as established by the Small Business Administration? \* (Public) YES/NO

Are you a third party, such as a law firm, trade association, or customs broker, submitting on behalf of an organization or industry? \* (Public) YES/NO

\*Note: If you are submitting on behalf of an organization/industry, the information below is required.

Third Party Firm/Association Name (Public)

Third Party First Name (BCI)

Third Party Last Name (BCI)

Third Party Mailing Address

Street Address Line 1 (BCI)

Street Address Line 2 (BCI)

City (BCI)

State (BCI)

Zip Code (BCI)

Country (BCI)

Third Party E-mail Address (BCI)

Third Party Phone Number (BCI)

Who is your importer of record? (BCI)

Who will be the primary point of contact? (Select One) \* (BCI)

- Requestor
- Third Party Submitter
- Requestor and Third Party Submitter

2. Please provide the 10-digit HTSUS item number\* for the product you wish to address in this product exclusion request. A 10-digit HTSUS number is required. \* (Public)

\*Use numerical characters only with no special characters (Example: 1023456789). For help with finding the HTSUS item number associated with your product, see <https://hts.usitc.gov/>.

3. Please provide a complete and detailed description of the particular product of concern.\* (A detailed description of the product includes, but is not limited to, its physical characteristics (e.g., dimensions, weight, material composition, etc.), whether product is designed to function in or with a particular machine (application), and any unique physical features that distinguish it from other products within the covered 8-digit HTSUS subheading. If needed, please attach images and specification sheets, CBP rulings, court decisions, and previous import documentation below.) Please also describe the product's principal use.

\*USTR will not consider requests that identify the product using criteria that cannot be made available to the public. USTR will not consider requests in which more than one unique product is identified.

Product Name \* (Public)

Product Description (e.g. dimensions, weight, material composition, etc.) \* (Public)

Product Function, Application, and Principal Use (Public)

Please upload any relevant attachments that will help identify and distinguish your product (e.g. CBP rulings, photos and specification sheets, and previous import documentation) (Public)

4. **Requestor's relationship to the product (select all that apply) \* (Public)**
- Importer
  - U.S. Producer
  - Purchaser
  - Industry Association
  - Other

5. **Is this product, or a comparable product, available from sources in the United States? (If you indicate "NO" or "NOT SURE," in the box below, you must explain why the product is unavailable or why you are unsure of the product's availability.) \* (Public)**

- YES
- NO
- NOT SURE

**Please explain why the product is unavailable or why you are unsure of the product's availability. (Submitter Determines BCI or Public)**

6. **Is this product, or a comparable product, available from sources in third countries? (If you indicate "NO" or "NOT SURE," in the box below, you must explain why the product is unavailable or why you are unsure of the product's availability.) \* (Public)**

- YES
- NO
- NOT SURE

**Please explain why the product is unavailable or why you are unsure of the product's availability. (Submitter Determines BCI or Public)**

7. **Please discuss any attempts to source this product from United States or third countries. \* (Public)**

8. **Please provide the value in USD and quantity (with units) of the Chinese-origin product of concern that you purchased in 2017, 2018, and the first quarter of 2019. Limit this figure to the products purchased by your firm (or by members of your trade association). Please provide estimates if precise figures are unavailable. \* (BCI)**

2017 Value:	2017 Quantity:
2018 Value:	2018 Quantity:
2019 Q1 Value:	2019 Q1 Quantity:

**Are the provided figures estimates?: \* (BCI) YES/NO**

**Are any of these purchases from a related company? \* (BCI) YES/NO**

**Please list the name and relationship of the related company. (BCI)**

9. **Please provide the value in USD and quantity (with units) of the product of concern that you purchased from any third-country source in 2017, 2018, and the first quarter of 2019. Limit this figure to the products purchased by your firm (or by members of your trade association). Please provide estimates if precise figures are unavailable. \* (BCI)**

2017 Value:	2017 Quantity:
2018 Value:	2018 Quantity:
2019 Q1 Value:	2019 Q1 Quantity:

**Are the provided figures estimates?: \* (BCI) YES/NO**

10. **Please provide the value in USD and quantity (with units) of the product of concern that you purchased from domestic sources in 2017, 2018, and the first quarter of 2019. Limit this figure to the products purchased by your firm (or by members of your trade association). Please provide estimates if precise figures are unavailable. \* (BCI)**

2017 Value:	2017 Quantity:
2018 Value:	2018 Quantity:
2019 Q1 Value:	2019 Q1 Quantity:

**Are the provided figures estimates?: \* (BCI) YES/NO**

11. **Please provide information regarding your company's gross revenue in USD for 2018, the first quarter of 2018, and the first quarter of 2019. \* (BCI)**

Fiscal Year 2018:  
 First Quarter 2018:  
 First Quarter 2019:

**Are the provided figures estimates?: \* (BCI) YES/NO**

12. **Is the Chinese-origin product of concern sold as a final product or as an input used in the production of a final product or products? \* (Public)**

**a) For imports sold as final products, please provide: (BCI)**

% of your company's total, U.S. gross sales in 2018 that the Chinese-origin product accounted for.

**b) For imports of inputs used in the production of final products, please provide:**  
(BCI)

% of the total cost of producing the final product(s) the Chinese-origin input accounts for.

% of your company's total, U.S. gross sales in 2018 that sales of the final product(s) incorporating the input accounts for.

13. **Please comment on whether the imposition of additional duties (since September 2018) on the product you are seeking to exclude has resulted in severe economic harm to your company or other U.S. interests. \*** (BCI)
14. **Please provide any additional information in support of your request, taking account of the instructions provided in Section [B] of the Federal Register notice.** (Submitter Determines BCI or Public)
15. **Did you submit exclusion requests for the Section 301 \$34 billion** (Docket ID: USTR-2018-0025) **and/or the \$16 billion** (Docket ID: USTR-2018-0032) **tariff actions? \*** (Public) YES/NO

**Please enter the total value of your company's imports applicable to the tariff action for which you submitted one or more exclusion request:** (BCI)

Initial \$34 Billion Tariff Action:

Additional \$16 Billion Tariff Action:

16. **Please comment on whether the particular product of concern is strategically important or related to "Made in China 2025" or other Chinese industrial programs. You must explain in the box below why you believe the product of concern is or is not strategically important or related to "Made in China 2025" or other Chinese industrial programs. \*** (Public)
17. **Include any additional attachments that should be considered along with this exclusion request (e.g., customs rulings, court decisions, previous import documentation, etc.). Please do not include attachments that contain your written argument.** (Submitter Determines BCI or Public)

## Section 301 Exclusion Request Process: Filing Guidelines for Product-Specific Exclusion Requests

**General summary:** A product-specific exclusion request will be considered administrable only if the product description enables U.S. Customs and Border Protection (CBP) to consistently identify and correctly classify the covered product *at time of entry*. Therefore, requests should include detailed physical descriptions of the product, avoid ambiguous terms or clauses, and avoid descriptors that CBP cannot reasonably verify. Requests should also include an accurate reference to the 10-digit HTSUS subheading in which the product is classified.

### Product-specific exclusion requests should contain the following:

- A comprehensive physical description of the product, including (but not limited to) its form, dimensions, weight, constituent material(s), and any unique physical features that can assist in distinguishing the product.
- If the product consists of two or more interconnected/intermixed components or materials, a description of how the components/materials are integrated, and in the case of metals of Chapters 72, 73, or 76 of the HTSUS, approximate content of all constituents.
- If the product consists of two or more wholly separate items (i.e., a set), precise descriptions of each item (i.e., form, quantity, size, weight, and value).
- If the product is a subsidiary component of a separate article, a description of how the component is connected to the separate article.
- If the product is a chemical falling under Chapter 29 of the HTSUS, a description and approximate content of all constituents and a reference number promulgated by the Chemical Abstracts Services (CAS).
- Proposed draft tariff language based on the above applicable characteristics.

### Product-specific exclusion requests should not contain the following:

- A product description based largely or entirely on the product's intended end-use, particularly where this cannot be reasonably verified (e.g., "screws for use in furniture," "floor polishers to be used in schools").
- References to trade names or colloquial terminology (e.g., "beanie" in lieu of "headwear").

- Subjective terms (e.g., "colorful," "large," "soft") or comparative/superlative terms (e.g., "normal-sized").
- Criteria which cannot be reasonably verified by CBP *at the time of entry* (e.g., exact thread counts, manufacturing process for the product, the particular function of a semiconductor or integrated circuit).
- Certification or labeling requirements.

### Additional Tips for Drafting Requests

- A correct reference to the product's 10-digit HTSUS subheading must be included. Prior CBP rulings on similar products, searchable within the Customs Rulings Online Search System at <https://rulings.cbp.gov>, may be instructive for this purpose.
- If CBP has issued a ruling concerning the exact product for which the exclusion is requested, or on a substantially similar product, the ruling's reference number should be provided. This will assist in confirming the accuracy of the 10-digit HTSUS subheading cited.
- Prior CBP rulings may also be helpful in formulating product descriptions. However, prior rulings should not be considered binding as to whether a particular descriptor is administrable by CBP.
- Additionally, the HTSUS itself should be consulted for guidance on drafting style. Proposed tariff language will ideally model the style and format of existing HTSUS provisions.

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A1 Updated: 6/21/2019

1 Updated: 6/21/2019

2

3 Requests for Exclusions from 301 Action Published at 83 FR 28710 (June 20, 2018): Index of Exclusion Requests and Status  
Docket ID: USTR-2018-0025

4 Stages for Review of Exclusion Requests Filed in Accordance with the Procedures To Consider Requests for Exclusion of Particular Products From the Determination of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 83 FR 32181 (July 11, 2018) ["Product Exclusion Notice"]

5	<b>Pre-Posting Stage – Format Review</b>	Review of whether the exclusion request conforms with the instructions provided in Product Exclusion Notice, including whether the request includes all required information. Requests that pass the Format Review will be posted on the regulations.gov docket, and proceed to Stage 1. Requests that do not pass the Format Review must be resubmitted.
6	<b>Stage 1 – Public Comment Period</b>	As provided in the Product Exclusion Notice, interested persons will have 14 days from the date a request is posted on the docket to respond to the request. If a response is submitted, the requester will have 7 days to reply to the response. At the close of the public comment period, the request proceeds to Stage 2.
7	<b>Stage 2 – Initial Substantive Review</b>	Initial Substantive Review of whether the exclusion request should be granted, based on the substantive criteria set out in the Product Exclusion Notice. Requests that pass the Substantive Review will proceed to Stage 3.
8	<b>Stage 3 – Administrability Review</b>	Based on consultations with U.S. Customs and Border Protection (CBP), the request is further reviewed to determine whether an exclusion would be administrable. Requests that pass the administrability review will proceed to Stage 4.
9	<b>Stage 4 – Publication in Process</b>	The exclusion has been granted and has been submitted for publication in the Federal Register. The scope of the exclusion is governed by the HTSUS language in the Federal Register notice, and not by the product descriptions set out in any particular request for exclusion. Exclusions are effective starting from the July 6, 2018 effective date of the additional duties, and extend for one year after the publication of the exclusion determination in the Federal Register.
10	<b>Granted</b>	The exclusion has been granted and published in the Federal Register. The scope of the exclusion is governed by the HTSUS language in the Federal Register notice, and not by the product descriptions set out in any particular request for exclusion. Exclusions are effective starting from the July 6, 2018 effective date of the additional duties, and extend for one year after the publication of the exclusion determination in the Federal Register.
11	<b>Denied</b>	Letter to the requestor posted on Regulations.gov

13	Doc Type	Request Doc-ID	Organization Name	10-Digit HTS	Date Posted	Response Closes	Reply Closes	Stages
14	REQUEST	USTR-2018-0025-0963	2T2 Group	8425390100	8/23/18	9/6/18	9/13/18	Granted
15	REQUEST	USTR-2018-0025-0973	2T2 Group	8431100090	8/23/18	9/6/18	9/13/18	Stage 3
16	REQUEST	USTR-2018-0025-0977	2T2 Group	8425390100	8/23/18	9/6/18	9/13/18	Granted
17	REQUEST	USTR-2018-0025-10031	A. O. Smith Corporation	9032100090	10/31/18	11/14/18	11/21/18	Denied
18	REQUEST	USTR-2018-0025-10036	A. O. Smith Corporation	8538906000	10/31/18	11/14/18	11/21/18	Denied
19	REQUEST	USTR-2018-0025-10039	A. O. Smith Corporation	8419901000	10/31/18	11/14/18	11/21/18	Denied
20	REQUEST	USTR-2018-0025-10041	A. O. Smith Corporation	8536904000	10/31/18	11/14/18	11/21/18	Denied
21	REQUEST	USTR-2018-0025-10044	A. O. Smith Corporation	8419901000	10/31/18	11/14/18	11/21/18	Denied
22	REQUEST	USTR-2018-0025-10477	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
23	REQUEST	USTR-2018-0025-10480	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
24	REQUEST	USTR-2018-0025-10485	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
25	REQUEST	USTR-2018-0025-10489	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
26	REQUEST	USTR-2018-0025-10494	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
27	REQUEST	USTR-2018-0025-10500	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
28	REQUEST	USTR-2018-0025-10502	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
29	REQUEST	USTR-2018-0025-10511	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
30	REQUEST	USTR-2018-0025-10515	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
31	REQUEST	USTR-2018-0025-10525	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
32	REQUEST	USTR-2018-0025-10530	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied
33	REQUEST	USTR-2018-0025-10533	A.W. Chesterton Company	8413919080	11/1/18	11/15/18	11/22/18	Denied

**CSMS #19-000052**[Back](#)**Title:** [Submitting Imports of Products Excluded from Section 301 Duties](#)**Date:** 2/8/2019 4:10:44 PM**To:** Automated Broker Interface, ACE Portal Accounts, ACE Reports, New ACE Programming, Trade Policy Updates**Related:** [18-000757](#), [18-000752](#), [18-000624](#)**BACKGROUND:**

On December 28, 2018, the U.S. Trade Representative published a Federal Register Notice (83 FR 67463) announcing the decision to grant certain exclusion requests from the 25 percent duty assessed under the Section 301 investigation related to goods from China (Tranche 1). The product exclusions announced in this notice will be retroactive as of the July 6, 2018 effective date (see 83 FR 28710). The exclusions will extend for one year after the December 28, 2018 Federal Register notice (83 FR 67463).

The exclusions are available for any product that meets the description in the Annex to 83 FR 67463, regardless of whether the importer filed an exclusion request. Further, the scope of each exclusion is governed by the scope of the 10-digit headings and product descriptions in the Annex to 83 FR 67463, and not by the product descriptions set out in any particular request for exclusion.

The functionality for the acceptance of products excluded from Section 301 duties will be available in the Automated Commercial Environment (ACE) on February 10, 2019.

**INSTRUCTIONS FOR FILING ENTRIES SUBJECT TO PRODUCT EXCLUSIONS:**

Instructions on submitting entries to CBP containing products granted exclusions by USTR from the Section 301 measures are as follows:

In addition to reporting the regular Chapters 84, 85 & 90 classification of the Harmonized Tariff Schedule of the United States (HTSUS) for the imported merchandise, importers shall report the HTSUS classification 9903.88.05 (Articles the product of China, as provided for in U.S. note 20(h) to this subchapter, each covered by an exclusion granted by the U.S. Trade Representative) for imported merchandise subject to the exclusion.

Do not submit the corresponding Chapter 99 HTS number for the Section 301 duties when HTS 9903.88.05 is submitted.

**ADDITIONAL INFORMATION:**

Duty exclusions granted by USTR are retroactive on imports to the initial effective date of July 6, 2018. To request an administrative refund for previous imports of duty-excluded products granted by USTR, importers may file a Post Summary Correction (PSC) following the same entry filing instructions above.

If the entry has already liquidated, importers may protest the liquidation.

**Reminder:** When submitting an entry summary in which a heading or subheading in Chapter 99 is claimed on imported merchandise, please refer to CSMS 18-000657 (Entry Summary Order of Reporting for Multiple HTS in ACE).

Imports which have been granted a product exclusion from the Section 301 measures, and which are not subject to the Section 301 duties, are not covered by the FTZ provisions of the Section 301 Federal Register notices, but instead are subject to the FTZ provisions in 19 CFR part 146.

For more information, please refer to the December 28, 2018 Federal Register notice (83 FR 67463).

Questions from the importing community concerning ACE entry rejections involving product exclusion numbers should be referred to their CBP Client Representative. Questions related to Section 301 entry filing requirements should be emailed to [Traderemedy@cbp.dhs.gov](mailto:Traderemedy@cbp.dhs.gov).

# Refunds



# U.S. Customs and Border Protection

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**CSMS #19-000238**

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**Title:** UPDATE- Section 301 (Tranche 3) Duties as of May 10, 2019

**Date:** 5/10/2019 7:55:57 AM

**To:** Automated Broker Interface, ACE Portal Accounts, ACE Reports, New ACE Programming, Partner Government Agencies, Trade Policy Updates, Truck Manifest

**Related:** [19-000236](#), [19-000095](#), [18-000757](#)

**BACKGROUND:**

On August 18, 2017, the Office of the United States Trade Representative (USTR) initiated an investigation under Section 301 of the Trade Act of 1974 into the government of China's acts, policies, and practices related to technology transfer, intellectual property, and innovation. On June 20, 2018, the USTR published a Notice of Action and Request for Public Comment Concerning Proposed Determination of Action Pursuant to Section 301(83 Federal Register (FR) 28710), imposing additional import duties on a list of Chinese products. On August 16, 2018, the USTR published a Notice of Action (83 FR 40823) providing for the imposition of additional import duties on a second list of Chinese Products.

On September 21, 2018, the USTR published a Notice of Modification of Action in the Section 301(83 FR 47974) investigation providing for the imposition of additional import duties on over 5,700 full and partial eight-digit subheadings of the Harmonized Tariff Schedule of the United States (HTSUS) on goods imported from the People's Republic of China (China). The September 21, 2018 list of products can be found in Annex A to the USTR's September 21, 2018 Notice, and was amended on September 28, 2018 (83 FR 49153). The rate of additional duties was initially 10 percent and the duties were effective starting on September 24, 2018. The duty rate on these imports was originally scheduled to increase to 25 percent, but the increase was subsequently postponed.

On May 9, 2019, USTR published a Notice of Modification of Action (84 FR 20459) in the Section 301 investigation increasing the duty rate to 25 percent on imports from China on the over 5,700 full and partial eight-digit subheadings of the HTSUS listed in Annex A to the USTR's September 21, 2018 Notice, as amended. USTR will also shortly publish a Federal Register Notice announcing the duty rate for such imports exported before May 10, 2019.

**GUIDANCE:**

The increase in additional import duties for Chinese goods covered by the September 21, 2018 Federal Register notice, as amended, is now effective on May 10, 2019. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on May 10, 2019, and exported to the United States on or after May 10, 2019, the rate of additional duties on imported articles classified in a subheading covered by the September 21, 2018 Federal Register notice, as amended, will be 25 percent ad valorem.

For subject goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on May 10, 2019, and exported to the United States on or after May 10, 2019, report the following HTS numbers and duty rates:

HTS: 9903.88.03 and 9903.88.04  
Duty Rate: 25 percent

For subject goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on May 10, 2019, and before June 1, 2019, and exported to the United States before May 10, 2019, report the following HTS number and duty rate:

HTS: 9903.88.09  
Duty Rate: 10 percent

The subject imports of China that are entered into the United States on or after June 1, 2019 are subject to the 25 percent rate of additional duty under HTS 9903.88.03 and 9903.88.04.

The Section 301 duties only apply to products of China, and are based on the country of origin, not country of export.

**FOR FURTHER INFORMATION:**

For further information, please refer to the USTR's web site at [ustr.gov](http://ustr.gov) and the Federal Register for official announcements on this matter. Questions related to Section 301 entry filing requirements should be emailed to [traderemedy@cbp.dhs.gov](mailto:traderemedy@cbp.dhs.gov). Questions from the importing community concerning ACE rejections should be referred to their Client Representative.

Keep tabs

Check Annexes To  
Granted Tariff  
Exclusions

Dated: May 30, 2019.  
**Naomi Sipple,**  
*Reports Clearance Officer, Social Security Administration.*  
[FR Doc. 2019-11629 Filed 6-3-19; 8:45 am]  
**BILLING CODE 4191-02-P**

**DEPARTMENT OF STATE**

[Public Notice: 10782]

**Certification Pursuant to the Department of State, Foreign Operations, and Related Programs Appropriations Act**

By virtue of the authority vested in me as Secretary of State pursuant to section 7041(a)(1)(2)(B) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2019 (Div. K, Pub. L. 116-6) and similar provisions in prior year appropriations acts, I hereby certify that the Government of Egypt has dismissed the convictions issued by the Cairo Criminal Court on June 4, 2013, in “Public Prosecution Case No. 1110 for the Year 2012” and has not subjected the defendants to further prosecution. This certification shall be published in the **Federal Register** and shall be reported to Congress, along with the accompanying Memorandum of Justification.

Dated: April 22, 2019.  
**Michael R. Pompeo,**  
*Secretary of State.*  
[FR Doc. 2019-11612 Filed 6-3-19; 8:45 am]  
**BILLING CODE 4710-31-P**

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE**

**Notice of Product Exclusions: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation**

**AGENCY:** Office of the United States Trade Representative.  
**ACTION:** Notice of product exclusions.  
**SUMMARY:** Effective July 6, 2018, the U.S. Trade Representative (Trade Representative) imposed additional duties on goods of China with an annual trade value of approximately \$34 billion (the \$34 billion action) as part of the action in the Section 301 investigation of China’s acts, policies, and practices related to technology transfer, intellectual property, and innovation. The Trade Representative’s determination included a decision to establish a product exclusion process. The Trade Representative initiated the

exclusion process in July 2018, and stakeholders have submitted requests for the exclusion of specific products. In December 2018, March 2019, April 2019, and May 2019, the Trade Representative granted exclusion requests. This notice announces the Trade Representative’s determination to grant additional exclusion requests, as specified in the Annex to this notice. The Trade Representative will continue to issue decisions on pending requests on a periodic basis.

**DATES:** The product exclusions announced in this notice will apply as of the July 6, 2018 effective date of the \$34 billion action, and will extend for one year after the publication of this notice. U.S. Customs and Border Protection will issue instructions on entry guidance and implementation.  
**FOR FURTHER INFORMATION CONTACT:** For general questions about this notice, contact Assistant General Counsels Philip Butler or Megan Grimboll, or Director of Industrial Goods Justin Hoffmann at (202) 395-5725. For specific questions on customs classification or implementation of the product exclusions identified in the Annex to this notice, contact *traderemedycbp@dhs.gov*.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

For background on the proceedings in this investigation, please see the prior notices issued in the investigation, including 82 FR 40213 (August 24, 2017), 83 FR 14906 (April 6, 2018), 83 FR 28710 (June 20, 2018), 83 FR 33608 (July 17, 2018), 83 FR 38760 (August 7, 2018), 83 FR 40823 (August 16, 2018), 83 FR 47974 (September 21, 2018), 83 FR 65198 (December 19, 2018), 83 FR 67463 (December 28, 2018), 84 FR 7966 (March 5, 2019), 84 FR 11152 (March 25, 2019), 84 FR 16310 (April 18, 2019), and 84 FR 21389 (May 14, 2019).

Effective July 6, 2018, the Trade Representative imposed additional 25 percent duties on goods of China classified in 818 8-digit subheadings of the Harmonized Tariff Schedule of the United States (HTSUS), with an approximate annual trade value of \$34 billion. See 83 FR 28710. The Trade Representative’s determination included a decision to establish a process by which U.S. stakeholders may request exclusion of particular products classified within an 8-digit HTSUS subheading covered by the \$34 billion action from the additional duties. The Trade Representative issued a notice setting out the process for the product exclusions, and opened a public docket. See 83 FR 32181 (the July 11 notice).

Under the July 11 notice, requests for exclusion had to identify the product subject to the request in terms of the physical characteristics that distinguish the product from other products within the relevant 8-digit subheading covered by the \$34 billion action. Requestors also had to provide the 10-digit subheading of the HTSUS most applicable to the particular product requested for exclusion, and could submit information on the ability of U.S. Customs and Border Protection to administer the requested exclusion. Requestors were asked to provide the quantity and value of the Chinese-origin product that the requestor purchased in the last three years. With regard to the rationale for the requested exclusion, requestors had to address the following factors:

- Whether the particular product is available only from China and specifically whether the particular product and/or a comparable product is available from sources in the United States and/or third countries.
- Whether the imposition of additional duties on the particular product would cause severe economic harm to the requestor or other U.S. interests.
- Whether the particular product is strategically important or related to “Made in China 2025” or other Chinese industrial programs.

The July 11 notice stated that the Trade Representative would take into account whether an exclusion would undermine the objective of the Section 301 investigation.

The July 11 notice required submission of requests for exclusion from the \$34 billion action no later than October 9, 2018, and noted that the Trade Representative would periodically announce decisions. In December 2018, the Trade Representative granted an initial set of exclusion requests. See 83 FR 67463. The Trade Representative granted a second, third, and fourth set of exclusions in March 2019, April 2019, and May 2019. See 84 FR 11152, 84 FR 16310, and 84 FR 21389. The Office of the United States Trade Representative regularly updates the status of each pending request and posts the status at <https://ustr.gov/issue-areas/enforcement/section-301-investigations/section-301-china/section-301-exclusion-process>.

**B. Determination To Grant Certain Exclusions**

Based on the evaluation of the factors set out in the July 11 notice, which are summarized above, pursuant to sections 301(b), 301(c), and 307(a) of the Trade

Act of 1974, as amended, and in accordance with the advice of the interagency Section 301 Committee, the Trade Representative has determined to grant the product exclusions set out in the Annex to this notice. The Trade Representative’s determination also takes into account advice from advisory committees and any public comments on the pertinent exclusion requests.

As set out in the Annex to this notice, the exclusions are established in two different formats: (1) As an exclusion for an existing 10-digit subheading from within an 8-digit subheading covered by the \$34 billion action, or (2) as an exclusion reflected in specially prepared product descriptions. In particular, the exclusions take the form of one 10-digit HTSUS subheading, and 88 specially prepared product descriptions.

In accordance with the July 11 notice, the exclusions are available for any product that meets the description in

the Annex, regardless of whether the importer filed an exclusion request. Further, the scope of each exclusion is governed by the scope of the product descriptions in the Annex to this notice, and not by the product descriptions set out in any particular request for exclusion.

The exclusions in the Annex cover approximately 464 separate exclusion requests: The excluded 10-digit subheading covers 40 separate requests, and the 88 specially prepared product descriptions cover approximately 424 separate requests.

Paragraph A, subparagraphs (3)–(5) are conforming amendments to the HTSUS reflecting the modification made by the Annex to this notice.

As stated in the July 11 notice, the exclusions will apply as of the July 6, 2018 effective date of the \$34 billion action, and extend for one year after the publication of this notice. U.S. Customs and Border Protection will issue

instructions on entry guidance and implementation.

The Trade Representative will continue to issue determinations on pending requests on a periodic basis.

**Joseph Barloon,**  
*General Counsel, Office of the U.S. Trade Representative.*

**Annex**

A. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on July 6, 2018, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified:

1. By inserting the following new heading 9903.88.10 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, and “Rates of Duty 1-General”, respectively:

Heading/ subheading	Article description	Rates of duty		
		1		2
		General	Special	
“9903.88.10 .....	Articles the product of China, as provided for in U.S. note 20(m) to this subchapter, each covered by an exclusion granted by the U.S. Trade Representative.	The duty provided in the applicable subheading”		

2. by inserting the following new U.S. note 20(m) to subchapter III of chapter 99 in numerical sequence:

“(m) The U.S. Trade Representative determined to establish a process by which particular products classified in heading 9903.88.01 and provided for in U.S. notes 20(a) and 20(b) to this subchapter could be excluded from the additional duties imposed by heading 9903.88.01. See 83 FR 28710 (June 20, 2018) and 83 FR 32181 (July 11, 2018). Pursuant to the product exclusion process, the U.S. Trade Representative has determined that the additional duties provided for in heading 9903.88.01 shall not apply to the following particular products, which are provided for in the enumerated statistical reporting numbers:

- (1) 8537.10.8000
- (2) Parts of nonaircraft gas turbines, other than rotors, spindles, rotor assemblies, spindle assemblies or steel forgings (described in statistical reporting number 8411.99.9085)
- (3) Oil well and oil field crank-balanced, long-stroke and beam pumps (described in statistical reporting number 8413.50.0010)
- (4) Radial piston hydraulic fluid pumps weighing not over 500 grams (described in statistical reporting number 8413.50.0070)
- (5) Centrifugal pumps, submersible, designed for use in apparatus for supplying water to pets (described in statistical reporting number 8413.70.2004)
- (6) Centrifugal pumps, submersible, other than for use with machines for making cellulosic pulp, paper or paperboard; the foregoing pumps rated not over 1.5 kW (described in statistical reporting number 8413.70.2004)
- (7) Submersible dual port pump designed for use in swimming pools (described in statistical reporting number 8413.70.2004)
- (8) Submersible pump designed for use in aquariums, not over 325 mm tall (described in statistical reporting number 8413.70.2004)
- (9) Submersible pump incorporating a magnetic drive motor (described in statistical reporting number 8413.70.2004)
- (10) Submersible pumps, rated not over 1 horsepower, designed for use in pumping raw sewage (described in

- (11) Sump pumps, submersible, rated not over 1 horsepower, activated by float switch (described in statistical reporting number 8413.70.2004)
- (12) Centrifugal pumps, not for use with machines for making cellulosic pulp, paper or paperboard, not submersible, the foregoing single-stage, single-suction, close-coupled and with discharge outlet under 5.1 cm in diameter (described in statistical reporting number 8413.70.2005)
- (13) Centrifugal pumps designed for eliminating condensate, the foregoing not elsewhere specified or included (described in statistical reporting number 8413.70.2090)
- (14) Housings for water pumps of subheading 8413.30.90 (as described in subheading 8413.91.9010)
- (15) Impellers for water pumps of subheading 8413.30.90 (described in statistical reporting number 8413.91.9010)
- (16) Hydraulic pump positioning piston assemblies (described in statistical reporting number 8413.91.9060)

- (17) Plastic reservoirs for motor vehicle brake master cylinders (described in statistical reporting number 8413.91.9060)
- (18) Airend assemblies, inlet guide vanes, air-ends, compressor baseplates and backplates (described in statistical reporting number 8414.90.4190)
- (19) Stand-alone icemaking machines, each having a rated capacity not exceeding 160 kg per day, capable of producing ice in pieces not larger than 40 cubic cm in any dimension (described in statistical reporting number 8418.69.0110)
- (20) Assemblies of thermo-electric modules, whether or not presented with attached heat exchangers, fans, shrouds, temperature sensors or controllers (described in statistical reporting number 8418.69.0180)
- (21) Coolers, non-compressor, powered by 12 V DC, each with an interior volume not exceeding 17 liters (described in statistical reporting number 8418.69.0180)
- (22) Solar water heaters incorporating glass tube heat collectors and including glass tubes and stands with tanks (described in statistical reporting number 8419.19.0040)
- (23) Distillation and rectifying equipment designed for use in the production of methylene diphenyl diisocyanate (described in statistical reporting number 8419.40.0080)
- (24) Heat exchanger plates, cores, finned tubes, cones, shells, bonnets, flanges and baffles (described in statistical reporting number 8419.90.3000)
- (25) Cast steel and steel structural forms designed for use in filtering machines, such machines used in mining or manufacturing facilities (described in statistical reporting number 8421.99.0080)
- (26) Parts of air filtering machines or apparatus, the foregoing of cast steel and steel (described in statistical reporting number 8421.99.0080)
- (27) Self-propelled fork-lift and platform trucks, each powered by an electric motor and controlled by walking operator (described in statistical reporting number 8427.10.8090)
- (28) Garage door opener/closers (described in statistical reporting number 8428.90.0290)
- (29) Hinged steel transfer machinery, designed for diverting goods from and to conveyor lines (described in statistical reporting number 8428.90.0290)
- (30) Rotating bench, electrically powered, designed for turning a workpiece in a production line (described in statistical reporting number 8428.90.0290)
- (31) Rotating fork machines, designed for lifting and depositing coiled steel bars in a production line (described in statistical reporting number 8428.90.0290)
- (32) Vibratory, self-propelled tamping machines, each with drum roller (described in statistical reporting number 8429.40.0020)
- (33) New, track-mounted hydraulic backhoes or hydraulic shovels, each with a 360-degree revolving superstructure (described in statistical reporting number 8429.52.1010)
- (34) Pile drivers, diesel powered (described in statistical reporting number 8430.10.0000)
- (35) Belt conveyor crossmember assemblies (described in statistical reporting number 8431.39.0010)
- (36) Conveyor roller support brackets (described in statistical reporting number 8431.39.0010)
- (37) Carriers designed for holding motor vehicles in overhead conveyors (described in statistical reporting number 8431.39.0010)
- (38) Catenary idler stringers (described in statistical reporting number 8431.39.0010)
- (39) Conveyor belt assemblies incorporating bearings (described in statistical reporting number 8431.39.0010)
- (40) Conveyor line pans, the foregoing parts suitable for use solely or principally with coal mine conveyors (described in statistical reporting number 8431.39.0010)
- (41) Conveyor spill plates (described in statistical reporting number 8431.39.0010)
- (42) Welded frames designed to support conveyor rollers (described in statistical reporting number 8431.39.0010)
- (43) Feed pushers, bale forks, scrapers and frames therefor (described in statistical reporting number 8431.49.9010)
- (44) Complete sheet pile rolling mills (described in statistical reporting number 8455.22.0000)
- (45) Rolling mills designed to form 4 to 5 ribbed metal panels not exceeding 95 cm wide (described in statistical reporting number 8455.22.0000)
- (46) Double row ball bearings having an inner diameter exceeding 15 mm but not exceeding 32 mm, an outer diameter exceeding 38 mm but not exceeding 64 mm and a width exceeding 15 mm but not exceeding 29 mm (described in statistical reporting number 8482.10.5060)
- (47) Needle roller bearings of a width not exceeding 30 mm (described in statistical reporting number 8482.40.0000)
- (48) Outer bearing rings (described in statistical reporting number 8482.99.0500)
- (49) Bearing shields (described in statistical reporting number 8482.99.6595)
- (50) Coupling covers, including center members, flanged hubs, sleeves and shoes (described in statistical reporting number 8483.90.8010)
- (51) AC multi-phase motors, each of an output exceeding 300 kW but not exceeding 310 kW, fitted with pulleys and brakes to raise and lower passenger elevators (described in statistical reporting number 8501.53.8040)
- (52) Regenerative speed drive controllers for controlling speed of electric motors for elevators (described in statistical reporting number 8504.40.4000)
- (53) Speed drive controllers for electric motors, each such controller measuring 100 mm or more but not over 130 mm in length, 40 mm or more but not over 125 mm in width and 24 mm or more but not over 85 mm in height (described in statistical reporting number 8404.40.4000)
- (54) Speed drive controllers for electric motors, the foregoing operating at 250 A or more but not over 500 A (described in statistical reporting number 8504.40.0000)
- (55) Variable frequency drive controllers for electric motors, each weighing more than 1 kg but not more than 11 kg (described in statistical reporting number 8504.40.4000)
- (56) Printed circuit assemblies of the goods of subheading 8504.40 or 8504.50 for telecommunication apparatus, each measuring 4 cm to 6 cm in width and 10 cm to 12 cm in length, that converts 36 V DC to 90 V AC (described in statistical reporting number 8504.90.6500)
- (57) Printed circuit assemblies of the goods of subheading 8504.40 or 8504.50 for telecommunication apparatus, each measuring 7 cm to 9 cm in width and 18 cm to 20 cm in length, having 2 switches, for power protection to prevent electrical back feeding (described in statistical reporting number 8504.90.6500)
- (58) Printed circuit assemblies of the goods of subheading 8504.40 or 8504.50 for telecommunication apparatus, the foregoing serving as controllers for power supplies, each measuring 5 cm to 7 cm in width and 11 cm to 14 cm in length, having 50 pin on side header

- (59) Printed circuit assemblies of the goods of subheading 8504.40 or 8504.50 for telecommunication apparatus, the foregoing serving as noise filters, each measuring 18 cm to 20 cm in width and 25 cm to 27 cm in length, populated with semiconductor devices and 4 heat sinks (described in statistical reporting number 8504.90.6500)
- (60) Radio transceivers operating on frequencies from 46 MHz to 468 MHz, each designed for installation in motor vehicles (described in statistical reporting number 8525.60.1050)
- (61) Antennas, of base metal and fiberglass (described in statistical reporting number 8529.10.4040)
- (62) Projector parts (described in statistical reporting number 8529.90.9900)
- (63) Electromechanical relays, for a voltage not exceeding 24 V, other than automotive flashers, with contacts rated at 10 A or more, measuring not over 80 mm in any dimension (described in statistical reporting number 8536.41.0050)
- (64) Push-button switches, rated at over 5 A, measuring no more than 14.4 cm by 11.6 cm by 6.4 cm (described in statistical reporting number 8536.50.9035)
- (65) Push-button switches, rated at over 5 A, measuring no more than 14.6 cm by 8 cm by 14.1 cm (described in statistical reporting number 8536.50.9035)
- (66) Push-button switches, rated at over 5 A, measuring no more than 19.1 cm by 8.3 cm by 14.1 cm (described in statistical reporting number 8536.50.9035)
- (67) Push-button switches, rated at over 5 A, measuring no more than 19.7 cm by 11.8 cm by 8.3 cm (described in statistical reporting number 8536.50.9035)
- (68) Push-button switches, rated at over 5 A, measuring no more than 19.7 cm by 9.8 cm by 16.5 cm (described in statistical reporting number 8536.50.9035)
- (69) Push-button switches, rated at over 5 A, measuring no more than 21 cm by 13.3 cm by 9 cm (described in statistical reporting number 8536.50.9035)
- (70) Push-button switches, rated at over 5 A, measuring no more than 23.5 cm by 8 cm by 13.1 cm (described in statistical reporting number 8536.50.9035)
- (71) Push-button switches, rated at over 5 A, measuring no more than 6 cm by 14.1 cm by 11 cm (described in statistical reporting number 8536.50.9035)
- (72) Push-pull switches, for a voltage not exceeding 1,000 V, designed for use in motor vehicles (described in statistical reporting number 8536.50.9065)
- (73) Bullet connectors, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (74) Butt connectors, other than closed end, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (75) Closed-end butt connectors, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (76) Crimp connectors, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (77) Insulated tab electrical connectors and tab receptacle electrical connectors, for a voltage not exceeding 1,000 V, crimp-type, with either a tab measuring not over 6.4 mm in width or a receptacle for tabs measuring not over 6.4 mm in width (described in statistical reporting number 8536.90.4000)
- (78) Junction blocks, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (79) Lug connectors, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (80) Ring connectors, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (81) Spade connectors, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (82) Spring clip ("alligator clip") terminals, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (83) Terminal blocks, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (84) Wire tap connectors, for a voltage not exceeding 1,000 V (described in statistical reporting number 8536.90.4000)
- (85) Magnesium anodes, each not exceeding 48 kg in weight (described in statistical reporting number 8543.30.9040)
- (86) Disposable self-adhesive brain monitoring sensor patches for use with an oximeter, each incorporating a circuit board, light-emitting diode (LED), photo diodes and memory device and a connector (described in statistical reporting number 9018.19.9560)
- (87) Disposable stainless steel subdermal needle electrodes with accompanying harness for use with electromyography (EMG) equipment (described in statistical reporting number 9018.19.9560)
- (88) Disposable surface electrodes for intra-operative neuromonitoring ("IONM") systems, each composed of a surface electrode pad, an insulated wire, and a standard DIN 42802 connector (described in statistical reporting number 9018.19.9560)
- (89) Machines for testing the hardness of metals (described in statistical reporting number 9024.10.0000)
3. by amending the last sentence of the first paragraph of U.S. note 20(a) to subchapter III of chapter 99 by:
- a. Deleting the word "or" where it appears after the phrase "U.S. note 20(j) to subchapter III of chapter 99;" and
- b. inserting "; or (5) heading 9903.88.10 and U.S. note 20(m) to subchapter III of chapter 99" after the phrase "U.S. note 20(k) to subchapter III of chapter 99", where it appears at the end of the sentence.
4. by amending the first sentence of U.S. note 20(b) to subchapter III of chapter 99 by:
- a. Deleting the word "or" where it appears after the phrase "U.S. note 20(j) to subchapter III of chapter 99;" and
- b. inserting "; or (5) heading 9903.88.10 and U.S. note 20(m) to subchapter III of chapter 99" after the phrase "U.S. note 20(k) to subchapter III of chapter 99", where it appears at the end of the sentence.
5. by amending the Article Description of heading 9903.88.01:
- a. By deleting "9903.88.07 or";
- b. by inserting in lieu thereof "9903.88.07, "; and
- c. by inserting "or 9903.88.10," after "9903.88.08,".

[FR Doc. 2019-11573 Filed 6-3-19; 8:45 am]

BILLING CODE 3290-F9-P

## DEPARTMENT OF TRANSPORTATION

## Federal Highway Administration

[Docket No. FHWA-2019-0019]

## Agency Information Collection Activities: Request for Comments for a New Information Collection

AGENCY: Federal Highway Administration (FHWA), DOT.

# Duty Savings

# WARNING





Check your tariff  
classification  
numbers



# TARIFF ENGINEERING

# Change the Country of Origin



# How U.S. bike companies are steering around Trump's China tariffs

(Reuters Feb. 22, 2019) - U.S.-based bicycle manufacturer Kent International has found a way around President Donald Trump's tariffs - by shifting production out of China.

Like almost all U.S. bike makers, Kent has long relied on low-cost Chinese labor and parts, but Trump's tariffs have so far inflated his costs by about \$20 million annually. "We have no choice but to - as rapidly as possible - look to move production away from China," said Arnold Kamler, chief executive and majority owner of the Parsippany, N.J.-based bike company. But Kent and other bike makers don't have to move their manufacturing operations to the United States to avoid tariffs - nor do they have to stop using Chinese parts. The company now plans to make bike frames in Cambodia while continuing to buy about half the components it will attach to those frames from producers in China. The resulting bicycles can enter the United States tariff-free because of U.S. rules that generally allow products to be designated as made-in-Cambodia as long as 35 percent of their costs for parts and labor are derived from that country. Gaming the so-called rules of origin is a legal tariff-avoidance strategy being adopted by other major U.S. bike builders and explored across the industry, along with other manufacturing sectors, according to bike executives and supply chain consultants.

The shift in the \$6 billion bike industry underscores how such rules allow manufacturers, despite tariffs, to continue sourcing large portions of their parts from China, undermining the Trump administration goal of boosting U.S. manufacturing employment. It further shows how quickly light manufacturers with less capital-intensive operations can move to Southeast Asia, which has seen a blitz of new investment since Trump launched his first tariffs last spring. The bike industry plays a small role in what experts call the biggest shake-up in cross-border supply chains since China joined the World Trade Organization in 2001. Companies in an array of industries - furniture, electronics, apparel, tires, vacuum cleaners, to name a few - are moving operations to Vietnam, Thailand



Employees work on the production line of Kent bicycles at Shanghai General Sports Co., Ltd, in Kunshan, Jiangsu Province, China, February 22, 2019. Picture taken February 22, 2019. REUTERS/Aly Song

and other Asian countries, often while continuing to use some suppliers in China. "This is a mid- to long-term issue that is not going to blow over in a year," said Brett Weaver, a supply-chain consultant at KPMG. "More and more companies are beginning to take that perspective."

The Trump administration's office of the U.S. Trade Representative (USTR) did not respond to requests for comment.

## RISING CHINA LABOR COSTS

For many companies, tariffs proved the deciding factor in moves already under consideration because of rising labor costs in China. Three decades ago, when Kamler first offshored Kent's production, labor in China cost him 20 percent less than in the United States. That gap has narrowed to 5 percent, he said. Kent currently sources nearly 90 percent of the 3 million bicycles it sells to Target, Walmart and other U.S. retailers from China. But sales took a hit after it raised prices in response to tariffs last September.

Kent's new factory in Cambodia is estimated to cost \$20 million - an amount equivalent to one year of Kent's increased costs from Trump's 10 percent tariffs, which were added to existing duties. Trump's tariffs were set to rise to 25 percent on March 2, but on Sunday he delayed the increase, citing progress in trade talks with China.

Another major brand, Specialized Bicycle Components, has moved production from China to Cambodia, Vietnam and Taiwan, expanding its existing Southeast Asia operations, said Bob Margevicius, a vice president of the Morgan Hill, California-based bike maker. Smaller producer Pure Bicycles, based in Los Angeles, is preparing a move to Vietnam, said Michael Fishman, president of the Los Angeles-based firm.

Industry officials and supply chain consultants say all American bike-makers are considering similar moves to shield their low-margin businesses from tariffs.

"Their supply chains are disrupted," said Morgan Lommele, a director at PeopleForBikes, an industry association. "They are looking at other countries."

## 'A WAKE-UP CALL'

All manufacturers face challenges in moving their operations to Southeast Asia, including constraints on port capacity and labor. And no country can easily supplant China's scale and production volumes for bicycles after three decades of the industry migrating there from the United States. In the 1970s, U.S.-based firms made more than 15 million bicycles annually, compared to fewer than 500,000 now, according to the data presented by the industry to the USTR last year. And 94 percent of U.S. bike imports currently come from China, U.S. Census data shows. Specialized finished moving all its production out of China by December but, like Kent, will continue to buy components from there. Trump's tariffs provided a "wake-up call for the industry," said Margevicius, who also serves on the board of an industry trade group, the Bicycle Product Suppliers Association.

## CHINA FIGHTS BACK

Chinese authorities are keen to protect manufacturing jobs, too. To cushion the impact of tariffs, China has increased export tax rebates and quickened tax refunds to exporters, Margevicius said. It is also offering companies cheap loans.

VERBATIM: China trade deal 'soon' or 'not at all'

A more than 5 percent decline in the value of the Chinese Yuan last year, along with forecasts of further depreciation this year, are also helping blunt the impact of higher U.S. duties.

Kent is, nonetheless, moving ahead with plans to start manufacturing in Cambodia in September, and Kamler said it will shift the bulk of its production there over the long term. Lower labor costs were a major deciding factor in addition to tariffs, said Kamler, who remains skeptical that Beijing will sustain its tax incentives to lower-end manufacturers as its economy shifts towards services, consumption and high-tech production.

South East Asian countries are also wooing firms exploring options outside China. Cambodia has allowed Kent to bring in short-term workers from China. Thailand is promoting itself as a regional manufacturing hub, offering incentives such as an exemption of up to eight years on corporate income tax for certain industries and exemptions on import duties for some raw materials.

Vietnam has finalized 16 free trade agreements including with the European Union and is a member of the Trans-Pacific Partnership, offering companies almost duty-free access to big bike markets from Germany to Australia.

## LOGISTICAL HURDLES

Specialized's Margevicius advises companies considering a move to look carefully at whether locations outside China have the required infrastructure to meet their needs. Each of the two biggest

ports in Vietnam, for instance, has only a sixth of the capacity of the port of Shanghai, and Cambodia lacks a deep-water port to accommodate larger vessels.

The rush of manufacturers moving operations to Southeast Asia will also bring new competition to hire and train workers from a labor force far smaller than that of China. Kamler is not deterred. Kent's Chinese partner has already bought a plot for the Cambodian factory, five miles from downtown Phnom Penh. Construction is scheduled to start next month and finish by June.

The company will initially hire and train up to 300 workers to start the production. It will also bring in 100 robots from its Chinese facilities for welding work. "We have a big business in the United States," Kamler said. "My priority 1,2,3 and 4 is to rescue my USA business."

Reporting by Rajesh Kumar Singh; editing by Joseph White and Brian Thevenot

# International Trade Agreements



**Declare a value based  
on the first sale**



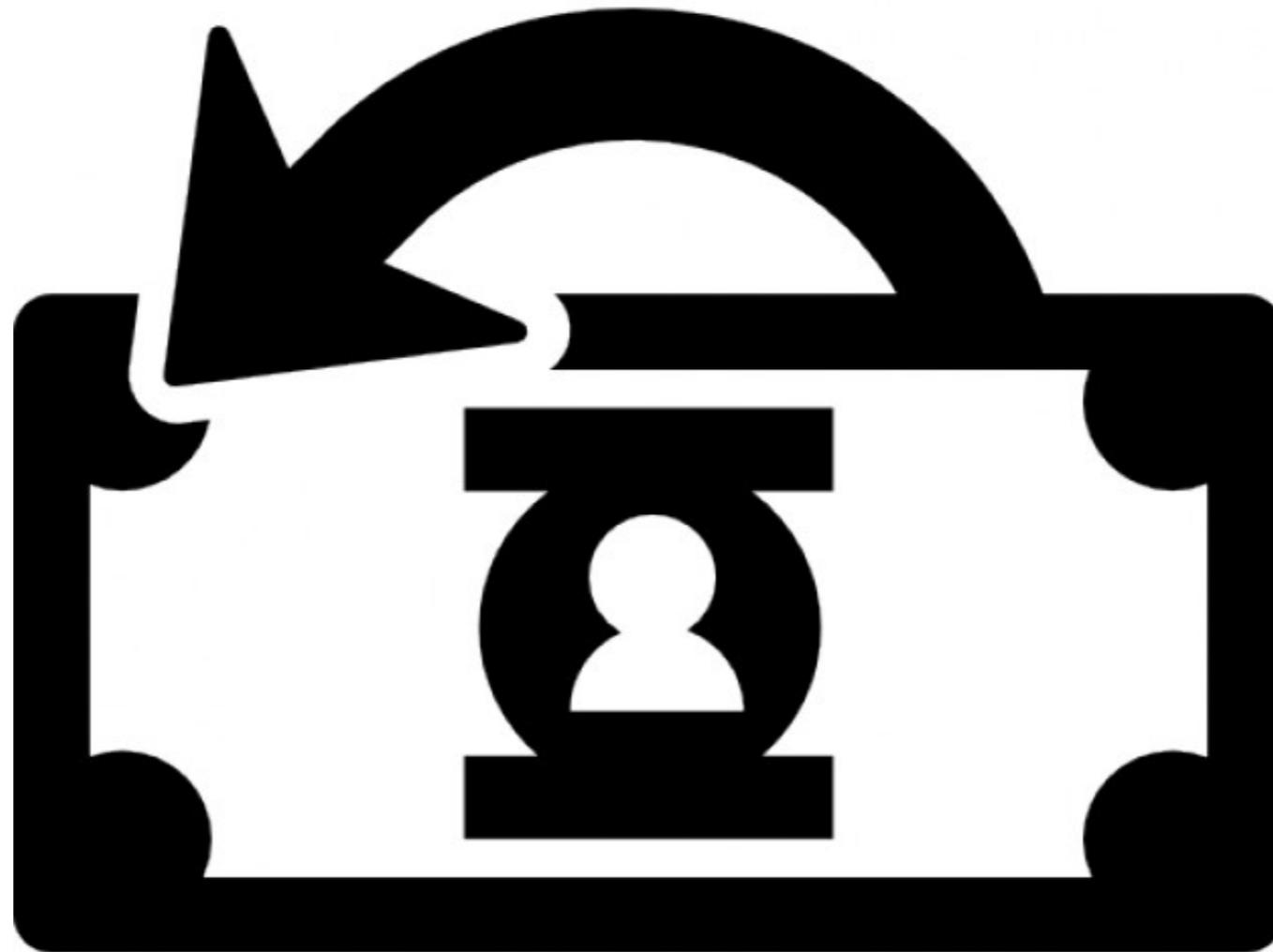


# Chapter 98 Duty Savings

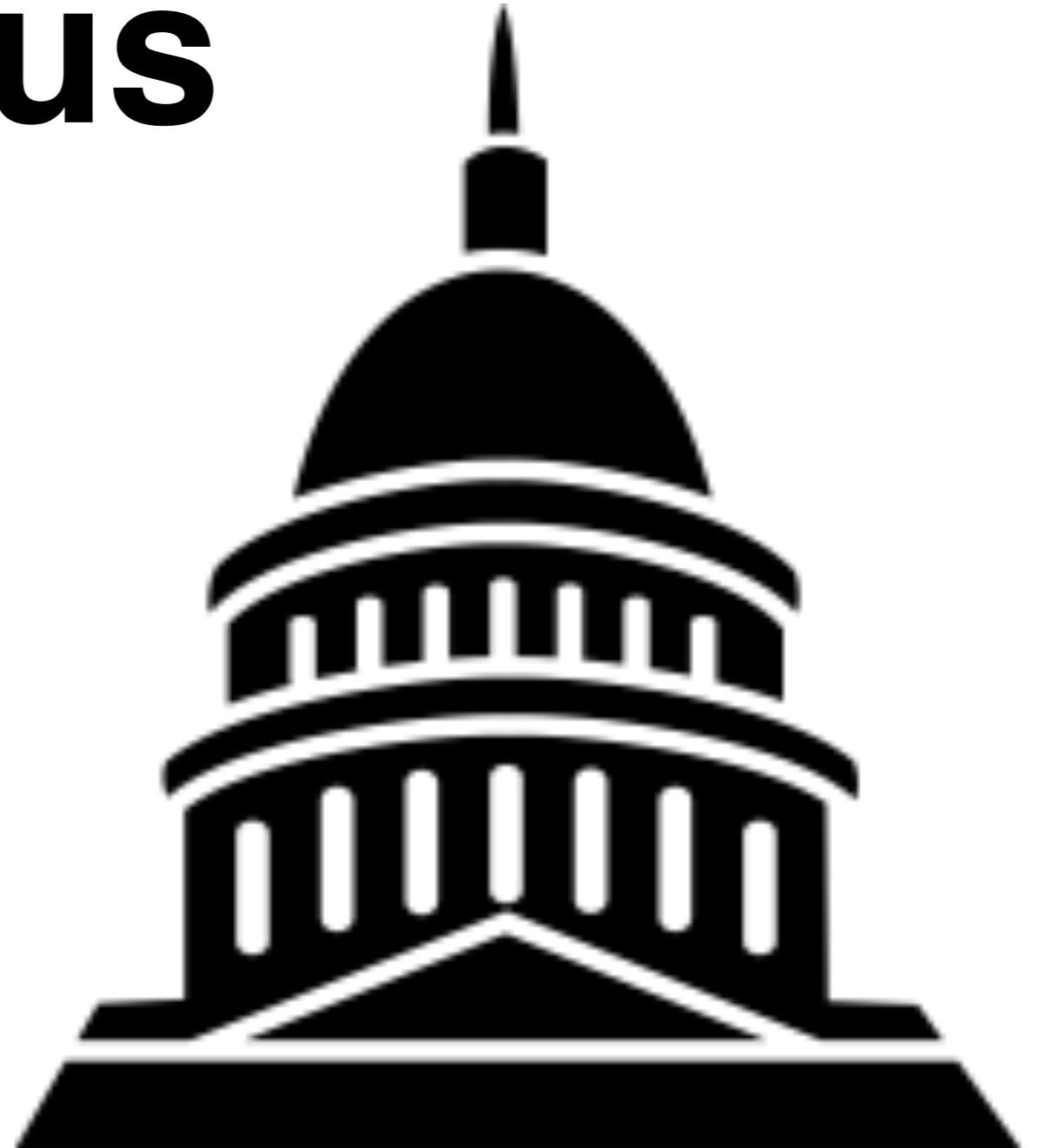


**Contract**

# DRAWBACK



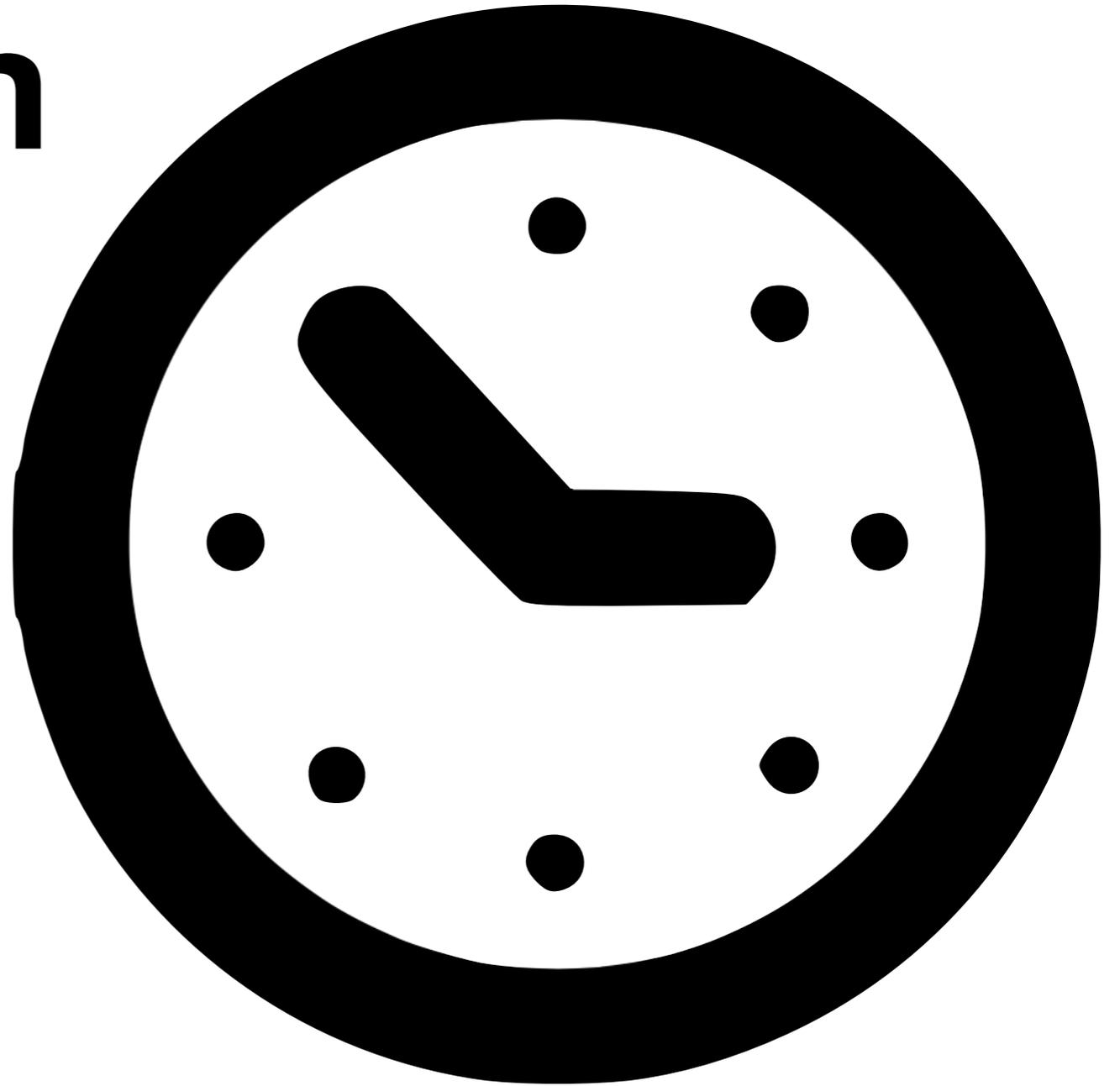
# Miscellaneous Tariff Bills





# **Foreign-Trade Zones and Bonded Warehouses**

# Temporary Importation Under Bond





**CARNET**

United States Council for International Business

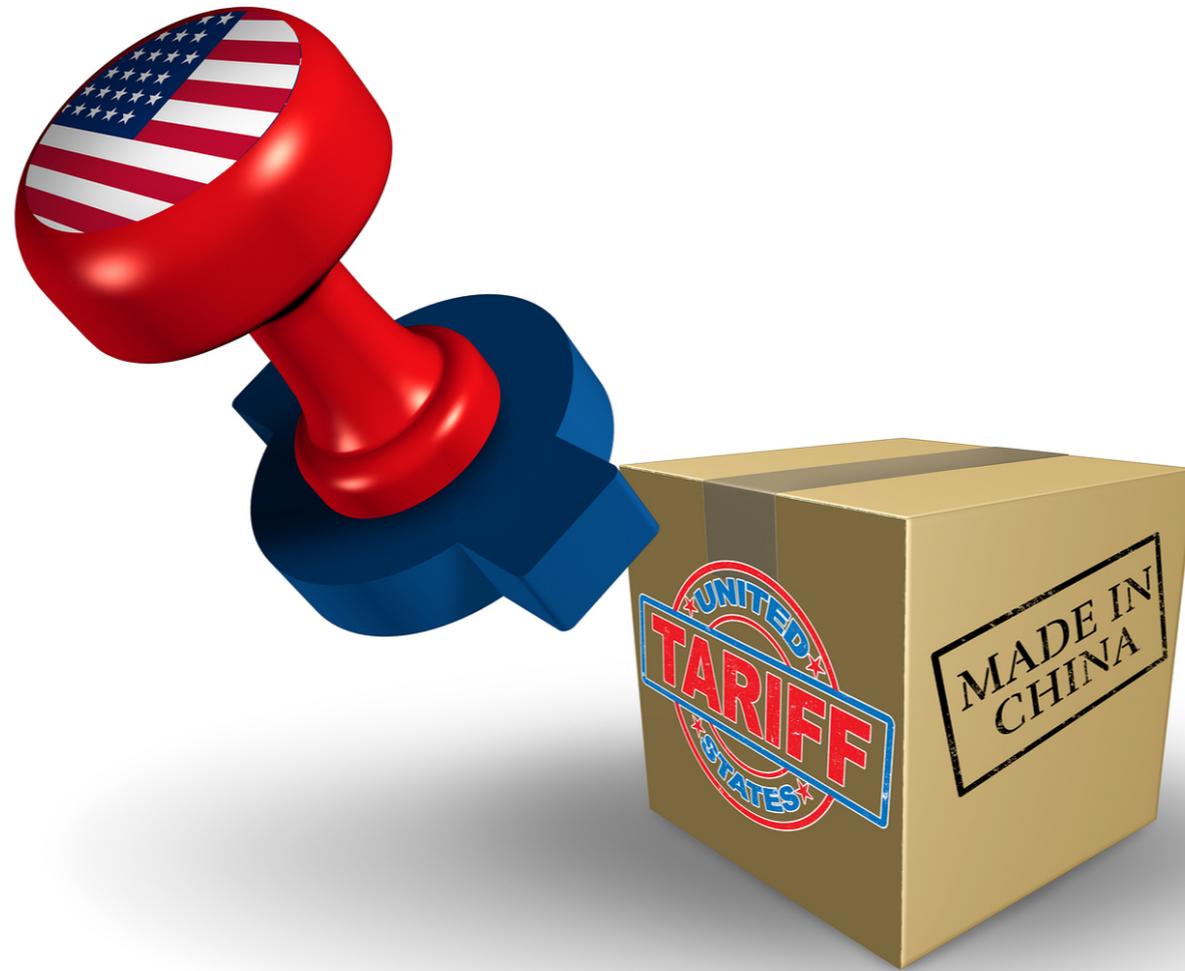
[www.uscib.org](http://www.uscib.org)



# **Generalized System of Preferences (GSP)**



# **Periodic Monthly Payment of Duties**



# Tariffs on Chinese Imports: Updates and Solutions