

USTR Finalizes Tariffs on \$200 Billion of Chinese Imports in Response to China's Unfair Trade Practices

Washington, DC – As part of the United States' continuing response to China's theft of American intellectual property and forced transfer of American technology, the Office of the United States Trade Representative (USTR) today released a list of approximately \$200 billion worth of Chinese imports that will be subject to additional tariffs. In accordance with the direction of President Trump, the additional tariffs will be effective starting September 24, 2018, and initially will be in the amount of 10 percent. Starting January 1, 2019, the level of the additional tariffs will increase to 25 percent.

The list contains 5,745 full or partial lines of the original 6,031 tariff lines that were on a proposed list of Chinese imports announced on July 10, 2018. Changes to the proposed list were made after USTR and the interagency Section 301 Committee sought and received comments over a six-week period and testimony during a six-day public hearing in August. USTR engaged in a thorough process to rigorously examine the comments and testimony and, as a result, determined to fully or partially remove 297 tariff lines from the original proposed list. Included among the products removed from the proposed list are certain consumer electronics products such as smart watches and Bluetooth devices; certain chemical inputs for manufactured goods, textiles and agriculture; certain health and safety products such as bicycle helmets, and child safety furniture such as car seats and playpens.

In March 2018, USTR released the **findings of its exhaustive Section 301 investigation** that found China's acts, policies and practices related to technology transfer, intellectual property and innovation are unreasonable and discriminatory and burden or restrict U.S. commerce.

Specifically, the Section 301 investigation revealed:

- China uses joint venture requirements, foreign investment restrictions, and administrative review and licensing processes to require or pressure technology transfer from U.S. companies.
- China deprives U.S. companies of the ability to set market-based terms in licensing and other technology-related negotiations.
- China directs and unfairly facilitates the systematic investment in, and acquisition of, U.S. companies and assets to generate large-scale technology transfer.
- China conducts and supports cyber intrusions into U.S. commercial computer networks to gain unauthorized access to commercially valuable business information.

After separate notice and comment proceedings, in June and August USTR released two lists of Chinese imports, with a combined annual trade value of approximately \$50 billion, with the goal of obtaining the elimination of China's harmful acts, policies and practices. Unfortunately, China has been unwilling to change its policies involving the unfair acquisition of U.S. technology and intellectual property. Instead, China responded to the United States' tariff action by taking further steps to harm U.S. workers and businesses. In these circumstances, the President has directed the U.S. Trade Representative to increase the level of trade covered by the additional duties in order to obtain elimination of China's unfair policies. The Administration will continue to encourage China to allow for fair trade with the United States.

A formal notice of the \$200 billion tariff action will be published shortly in the Federal Register.

Click [here](#) to view the final tariff list.