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For more information,
contact:

Stephen Orava
+1 202 661 7937
sorava@kslaw.com

Christine Savage
+1 202 626 5541
csavage@kslaw.com

Stephen A. Jones
+1 202 626 2950
sjones@kslaw.com

J. Michael Taylor
+1 202 626 2385
jmtaylor@kslaw.com

Bradford L. Ward
+1 202 626 2382
bward@kslaw.com

W. Scott Petty
+1 404 572 2888
spetty@kslaw.com

Jeffrey M. Telep
+1 202 626 2390
jtelep@kslaw.com

Bonnie B. Byers
+1 202 626 5507
bbyers@kslaw.com

Daniel L. Schneiderman
+1 202 661 7847
dschneiderman@kslaw.com

Benjamin J. Bay
+1 202 626 5449
bbay@kslaw.com

King & Spalding

Washington, D.C.
1700 Pennsylvania Avenue, NW
Washington, D.C. 20006-4707
Tel: +1 202 737 0500
Fax: +1 202 626-3737

Final List Of Chinese Products Covered By U.S. Section 301 Duties To Address Discriminatory Or Unreasonable Technology Transfer, Intellectual Property, And Innovation Practices

United States Trade Representative Releases Final List Of Chinese Products Subject To 25 Percent Tariff

Today, based on a review conducted by the interagency Section 301 Committee, the Office of the United States Trade Representative (“USTR”) released its final list of 818 Chinese products that will become subject to 25 percent tariffs (“[List 1](#)”). U.S. Customs and Border Protection will begin to collect the duties for these 818 line items on July 6. In addition, USTR released a second list (“[List 2](#)”) that includes 284 new products to which 25 percent tariffs may become applicable after further review in a public notice and comment period.

As outlined in our [prior client alerts](#), on March 22, 2018, President Trump instructed the United States Trade Representative Robert E. Lighthizer to implement tariffs on a list of products that benefit from China’s unfair industrial policies, particularly the “unfair and harmful acquisition of U.S. technology” by China.

On April 3, 2018, USTR released a proposed list of Chinese products for consideration for a tariff increase of 25 percent (in addition to any already existing tariff). The April 3 list included products covering approximately 1,300 lines of the U.S. Harmonized Tariff Code, totaling approximately \$50 billion worth of trade from China each year. That preliminary list covered a wide range of products, including products from the aerospace, information communication, chemical, food and drug, medical devices, metals, technology, transportation, and electronics sectors.



After notice, comment, and a three-day hearing by the interagency Section 301 Committee, USTR has now released the final list(s) of Chinese products subject to the tariff increases of 25 percent. While 818 of the Chinese products to which 25 percent tariffs definitively will apply (accounting for approximately \$34 billion in annual imports from China) also appeared on the April 3 preliminary list of products, 515 products were removed from the preliminary list (and will not be subject to additional 25 percent tariffs). The additional 284 products lines included in List 2 account for approximately \$16 billion in annual imports from China – 25 percent tariffs on these additional 284 product categories only will become effective after an additional notice and comment period.

King & Spalding has compared the April 3 proposed list and the June 15 final “list 1” to identify the products that were dropped from the final list, which are available [here](#). The official versions of [List 1](#) (818 Chinese products to which 25 percent tariffs become effective July 6) and [List 2](#) (284 Chinese products to which 25 percent tariffs may apply after additional comment) are available via the embedded hyperlinks.

After the April 3 proposed list was announced, the Chinese government circulated a [list of U.S. products by HTS category](#) on which it planned to impose a 25 percent tariff if and when the U.S. Section 301 tariffs go into effect. The Chinese government’s retaliatory list generally targets agriculture (e.g., soybeans, corn, wheat, beef, tobacco), whiskies (e.g., bourbon), automobiles and other vehicles, a wide range of chemicals and plastics, and aircraft. The Chinese government may now move to implement duties in response to the USTR announcement.

Finally, during an interview this morning on the Fox Business Network, Ambassador Lighthizer explained that today’s tariff announcement is the first of two steps that will be taken by President Trump’s administration with respect to the Section 301 findings. According to Ambassador Lighthizer, over the next two weeks the U.S. Department of Treasury will be announcing new investment restrictions on Chinese nationals with respect to buying United States technology, using a broader definition of national security.

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This alert provides a general summary of recent legal developments. It is not intended to be and should not be relied upon as legal advice. In some jurisdictions, this may be considered “Attorney Advertising.”

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