



OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Notice of Product Exclusion Extension Amendment: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

AGENCY: Office of the United States Trade Representative.

ACTION: Notice.

SUMMARY: Effective August 23, 2018, the U.S. Trade Representative imposed additional duties on goods of China with an annual trade value of approximately \$16 billion 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 U.S. Trade Representative's determination included a decision to establish a product exclusion process. The U.S. Trade Representative initiated the exclusion process in September 2018, and stakeholders have submitted requests for the exclusion of specific products. The first set of exclusions was published in July 2019 and expired in July 2020. On April 30, 2020, the U.S. Trade Representative established a process for the public to comment on whether to extend particular exclusions granted in July 2019 for up to 12 months. In July 2020, the U.S. Trade Representative determined to extend certain exclusions through December 31, 2020. This notice announces the U.S. Trade Representative's determination to make one technical amendment to a previously extended exclusion.

DATES: The amendment announced in this notice applies as of July 31, 2020, and continues through December 31, 2020. This notice does not further extend the period for product exclusion extensions. 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 Associate General Counsel Philip Butler 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 traderemedy@cbp.dhs.gov.

SUPPLEMENTARY INFORMATION:

A. Background

For background on the proceedings in this investigation, please see prior notices 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 47236 (September 18, 2018), 83 FR 47974 (September 21, 2018), 83 FR 65198 (December 19, 2018), 84 FR 7966 (March 5, 2019), 84 FR 20459 (May 9, 2019), 84 FR 29576 (June 24, 2019), 84 FR 37381 (July 31, 2019), 84 FR 49600 (September 20, 2019), 84 FR 52553 (October 2, 2019), 84 FR 69011 (December 17, 2019), 85 FR 10808 (February 25, 2020), 85 FR 28691 (May 13, 2020), 85 FR 43291 (July 16, 2020), and 85 FR 49414 (August 13, 2020).

Effective August 23, 2018, the U.S. Trade Representative imposed additional 25 percent duties on goods of China classified in 279 eight-digit subheadings of the Harmonized Tariff Schedule of the United States (HTSUS), with an approximate annual trade value of \$16 billion. *See* 83 FR 40823. The U.S. Trade Representative's determination included a decision to establish a process by which U.S. stakeholders could request exclusion of particular products classified within an eight-digit HTSUS subheading covered by the \$16 billion action from the additional duties. The U.S. Trade Representative issued a notice setting out the process for product exclusions, and opened a public docket. *See* 83 FR 47236 (the September 18 notice).

In July 2019, the U.S. Trade Representative granted an initial set of exclusion requests. *See* 84 FR 37381. The U.S. Trade Representative granted additional exclusions

in September and October 2019, and February and July 2020. *See* 84 FR 49600; 84 FR 52553; 85 FR 10808; 85 FR 43291.

On April 30, 2020, the U.S. Trade Representative invited the public to comment on whether to extend by up to 12 months, particular exclusions granted under the \$16 billion action. *See* 85 FR 24076 (April 30, 2020). On July 30, 2020, the U.S. Trade Representative announced a determination to extend certain previously granted exclusions. *See* 85 FR 45949 (July 30, 2020).

B. Technical Amendment to Exclusion

The Annex makes one technical amendment to U.S. note 20(ggg)(4) to subchapter III of chapter 99 of the HTSUS, as set out in the Annex of the notice published at 85 FR 45949 (July 30, 2020).

ANNEX

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 31, 2020, and through December 31, 2020, U.S. note 20(ggg)(4) to subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS), is modified by deleting “Gasoline or liquid propane (LP)” and inserting “Gas (natural or liquid propane (LP))” in lieu thereof.

Joseph Barloon,

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Office of the United States Trade Representative.

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