# **ALSTON & BIRD**

WWW.ALSTON.COM



### International Trade & Regulatory ADVISORY •

#### **OCTOBER 7, 2021**

### Opportunity to Comment on Certain Section 301 Tariff Exclusions

The Office of the United States Trade Representative (USTR) is considering whether to reinstate previously extended exclusions covering products of China subject to Section 301 tariffs. Public comments are due on **December 1, 2021**.

On October 4, 2021, Ambassador Katherine Tai announced that a new "targeted" product exclusion process would be launched "to mitigate the effects of certain Section 301 tariffs that raised costs on Americans."

This new exclusion process is narrow in scope, covering only the exclusions that the USTR previously granted **and** extended. Among 2,200 exclusions that the USTR granted, 549 exclusions were extended, and most of them expired on December 31, 2020. The list of these 549 product-specific exclusions is available <u>here</u>.

The USTR will accept comments from October 12 through December 1, 2021. The USTR will review and publish reinstated exclusions in the *Federal Register*. Reinstated exclusions will be retroactive for merchandise entered, or withdrawn from warehouse, for consumption on or after October 12, 2021.

The comments, either supporting or opposing reinstating the exclusions, should address the availability of the product in the United States and other countries; any global supply chain change regarding the product and its specific industry; potential efforts from U.S. importers to source the product domestically or from third countries; U.S. domestic capacity; whether reinstating or not reinstating the exclusion would impact or harm U.S. interests, including the impact on small businesses, employment, manufacturing output, and critical U.S. supply chains; and whether the exclusions contributed to the goal of eliminating China's acts, policies, and practices covered in the Section 301 investigation.

The USTR also welcomes comments on the appropriate length of time for reinstated exclusions, how much of the product has been imported from China over the last three years and at what price, whether Chinese suppliers lowered their prices for the goods after tariffs were imposed, how much of the product was purchased from other countries and the purchaser's revenues for the last three years, and whether the product is an input or not.

Companies that have an interest in any of the 549 product-specific exclusions should consider submitting comments.

This process does not allow requests for new product exclusions, but Tai indicated that the Administration is keeping open the potential for additional exclusion processes.

This advisory is published by Alston & Bird LLP to provide a summary of significant developments to our clients and friends. It is intended to be informational and does not constitute legal advice regarding any specific situation. This material may also be considered attorney advertising under court rules of certain jurisdictions.

WWW.ALSTON.COM 2

You can subscribe to future *International Trade & Regulatory* advisories and other Alston & Bird publications by completing our **publications subscription form**.

If you have any questions or would like additional information, please contact your Alston & Bird attorney or any of the following:

Jason M. Waite Lucas Queiroz Pires 202.239.3455 202.239.3235

jason.waite@alston.com lucas.queirozpires@alston.com

Kenneth G. WeigelBobbi Jo Shannon202.239.3431202.239.3344ken.weigel@alston.combj.shannon@alston.com

Brian Frey Chunlian Yang 202.239.3067 202.239.3490

brian.frey@alston.com lian.yang@alston.com

 Helen Su
 John O'Hara

 202.239.3300
 202.239.3131

 86.10.85927588
 john.ohara@alston.com

helen.su@alston.com

## ALSTON & BIRD

#### WWW.ALSTON.COM

© ALSTON & BIRD LLP 2021