



17 May 2019



SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP

Dear All,

In the attachment, I retained only Appendix 4, Tariff Schedule for Wood Products. Rich



**THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY**

Date:5/17/2019

GAIN Report Number: CH19030

China - Peoples Republic of

Post: Beijing

China Raises Tariffs on U.S. Agricultural Products

Report Highlights:

On May 13, 2019, the People's Republic of China's Ministry of Finance (MOF), State Council Tariff Commission (SCTC) announced that supplementary import tariffs levied on certain U.S. products would be increased. The announcement includes four annexes and specifies tariff increases to 25, 20, 10, and 5 percent, affecting over 300 U.S. agricultural products valued at approximately \$3 billion in 2017. Some of these products are also subject to earlier tariff increases by China.¹ This brings the total number of U.S. agricultural and related products targeted by additional Chinese tariffs since April 2018 to over 1,000 products, valued at approximately \$22.6 billion in 2017. The increased tariffs will be calculated in aggregate with earlier additional tariffs and will be effective beginning on June 1, 2019. U.S. exporters should check with their local importers to verify changes in tariff treatment.

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Report Categories:

Trade Policy

Monitoring

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¹ See [GAIN Report CH18034](#) *China Responds to U.S. 301 Announcement with Revised Product List*, and [GAIN Report CH18047](#), *China Updates List of U.S. Products Subject to Additional Tariffs*.

Executive Summary:

On May 13, 2019, the People's Republic of China's Ministry of Finance (MOF), State Council Tariff Commission (SCTC) announced that supplementary import tariff rates levied on U.S. products would increase. The list of affected products in the announcement is the same list that was proposed on August 6, 2018. MOF separated China's response to the U.S. 301 Investigation into four annexes which specify tariff rates set at 25, 20, 10, and 5 percent, affecting over 300 U.S. agricultural products valued at approximately \$3 billion in 2017.

History of China's Response to U.S. 301-related Tariffs

MOF has updated its response to the U.S. 301 Investigation several times. To date, MOF has administered additional U.S. 301-related tariffs piecemeal, and at lower rates than initially proposed. Since July 2018, the implementation of the original scope of U.S. products targeted has expanded, and the applied tariff rates has increased. MOF's May 13 announcement will begin implementing the increased supplemental duties on the entire scope of products in full force on June 1, 2019. The May 13 announcement states that additional U.S. 301-related tariffs will be calculated in aggregate with earlier tariff increases.

China's Response to the U.S. 301 Investigation		
Implementation Date	USDA Reports	Link
--	China Responds to U.S. 301 Announcement	CH18018
07/06/2018	China Responds to U.S. 301 Announcement with Revised Product List	CH18034
08/23/2018	China Updates List of U.S. Products Subject to Additional Tariffs	CH18047
08/23/2018	China Implements Schedule II of Its 301 Retaliatory Tariffs	CH18052
08/24/2018	China Implements Supplemental Import Tariffs on U.S. Products Exported to China	CH18061
11/1/2018	China Lowers Selected MFN Tariffs on November 1	CH18070
6/1/2019	China Raises Tariffs on U.S. Agricultural Products	

Product Scope:

The agricultural and related products included in the May 13 announcement encompass a broad range of categories, including live animals and animal products, horticultural products, grains and oilseeds, food ingredients, prepared foods, wine and distilled spirits, and sweeteners.

General Information:

This GAIN report contains an unofficial translation of the May 13, 2019 announcement, an example of the tariff calculation methodology, and separate tariff schedules for U.S. agricultural products (Appendix 2), fisheries products (Appendix 3), and forestry products (Appendix 4) impacted by each round of additional tariffs. They include an English translation of the Mandarin product descriptions, the Most-Favored-Nation (MFN) tariff rate or Provisional tariff rate, additional tariffs in response to the U.S. 232 Investigation, and the current total tariff rates related to the U.S. 301 Investigation. The appendices do not include Value-Added Tax (VAT) rates, which are beyond the scope of this report. Note: The appendices in this report do not correspond with the Annexes of the Ministry of Finance's May 13 announcement.

Disclaimer:

This summary is based on a review of the Chinese announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Mandarin, the latter shall prevail.

Announcement Link:

http://gss.mof.gov.cn/zhengwuxinxi/zhengcefabu/201905/t20190513_3256788.html

For more information contact AgBeijing@usda.gov.

UNOFFICIAL TRANSLATION OF MINISTRY OF FINANCE ANNOUNCEMENT

State Council Tariff Committee Announcement on “Increasing
Tariffs on Some Products Origin in the United States” Tariff
Committee Notice [2019] No. 3

On May 9, 2019, the U.S. government announced that the tariff rate imposed on the \$200 billion list of goods imported from China would be increased to 25% from 10% since May 10, 2019. The above measures by the United States have led to an escalation of Sino-US economic and trade frictions, contrary to the consensus between China and the United States on resolving trade differences through consultations, jeopardizing the interests of both sides and not meeting the general expectations of the international community.

According to the "People's Republic of China Foreign Trade Law", "People's Republic of China Import and Export Tariff Regulations" and other laws and regulations and the basic principles of international law, the State Council Tariff Committee decided that tariffs on the certain products originating in the United States will be increased since 0:00 on June 1, 2019. The relevant matters are hereby announced as follows:

1. To increase the tariff rate of some of the commodities in the " State Council Tariff Committee Announcement on Imposing Tariffs on US\$60 Billion of Imported Goods from the United States" (Tariff Committee Notice [2018] No. 8), and the tariff rate will be implemented in accordance with the State Council Tariff Committee Announcement on “Imposing Tariffs on Some Products Origin in the United States (Second Batch)” (Tariff Committee Notice [2018] No. 6). Namely: 2,493 tax items listed in Annex 1 shall be subject to a 25% tariff; 1078 tax items listed in Annex 2 shall be subject to a 20% tariff; and 974 tax items listed in Annex 3 shall be subject to a 10% tariff; and the 595 tax items listed in Annex 4 shall be still subject to a 5% tariff.
2. Other matters shall be implemented in accordance with the State Council Tariff Committee Announcement [2018] No. 6.

Attachments:

1. List of supplemental 25% tariff list on products originating from the United States
<http://gss.mof.gov.cn/zhengwuxinxi/zhengcefabu/201905/P020190513719203602248.pdf>

2. List of supplemental 20% tariff list on products originating from the United States
<http://gss.mof.gov.cn/zhengwuxinxi/zhengcefabu/201905/P020190513719204287788.pdf>
3. List of supplemental 10% tariff list on products originating from the United States
<http://gss.mof.gov.cn/zhengwuxinxi/zhengcefabu/201905/P020190513719204715521.pdf>
4. List of supplemental 5% tariff list on products originating from the United States
<http://gss.mof.gov.cn/zhengwuxinxi/zhengcefabu/201905/P020190513719205123756.pdf>

The State Council Tariff Committee
 May 13, 2019

END UNOFFICIAL TRANSLATION

Appendix 1 – Calculation of Tariffs

For example, the calculation as announced is applied as follows:

Scenario A Subject to 301-related tariffs		Calculation
CIF PRICE (implementation date)	\$100.00	
MFN rate (1/1/2019)	20%	
301 additional tariff (Announced on 7/6/2018 and fully implemented on 6/1/2019)	25%	
Aggregate Tax Rate	45%	100*(0.20+0.25)
Final Dutiable Value	\$145.00	\$100*1.45

Scenario B Subject to 232 and 301-related tariffs		Calculation
CIF PRICE (implementation date)	\$100	
MFN rate (1/1/2019)	20%	
232 additional tariff (4/2/2018)	15%	
301 additional tariff (Announced on 7/6/2018 and fully implemented on 6/1/2019)	25%	
Aggregate Tax Rate	60%	100*(0.20+0.15+0.25)
Final Dutiable Value	\$160	\$100*1.60

Scenario C Subject to 232-related tariffs		Calculation

	\$1000	
MFN rate (1/1/2019)	20%	
232 additional tariff (4/2/2018)	15%	
Aggregate Tax Rate	35%	$100*(0.20+0.15)$
Final Dutiable Value	\$135	$\\$100*1.35$

Appendix 4 – Schedule of tariffs on U.S. forestry products

HS Code (8-digit)	Product Description	MFN *	232	301	Total Applied
		Rate			Tariff
	Implementation Date	Jan 1, 2019	Apr 2, 2018	Jun 1, 2019	Jun 1, 2019
44011200	Non-Coniferous Fuel Wood, In Logs/Billets/Twigs	0%		20%	20%
44012100	Coniferous Wood In Chips Or Particles	0%		20%	20%
44012200	Non-Coniferous Wood In Chips Or Particles	0%		25%	25%
44013100	Wood Pellets	0%		25%	25%
44013900	Sawdust And Wood Waste And Scrap, Agglomerated In	0%		25%	25%
44014000	Sawdust And Wood Waste And Scrap, Not Agglomerated	0%		25%	25%
44029000	Other Wood Charcoal	11%		25%	36%
44031100	Coniferous Wood In The Rough, Treated With Paint/S	0%		25%	25%
44031200	Non-Coniferous Wood In The Rough, Treated With Pai	0%		20%	20%
44032110	Wood Of Korean Pine And Mongolian Scotch Pine, In	0%		25%	25%
44032130	Wood Of Larch, In The Rough, Cross-Sectional Dimension	0%		25%	25%
44032140	Wood Of Douglas Fir, In The Rough, Cross-Sectional	0%		5%	5%
44032190	Wood Of Other Pin, In The Rough, Cross-Sectional D	0%		25%	25%
44032240	Wood Of Douglas Fir, In The Rough, Cross-Sectional	0%		20%	20%
44032290	Wood Of Other Pin, In Rough, Cross-Sectional Dimension	0%		20%	20%
44032300	Wood Of Fir (Abies Spp.) & Spruce (Picea Spp.),	0%		20%	20%
44032400	Wood Of Fir (Abies Spp.) & Spruce (Picea Spp.),	0%		25%	25%
44032500	Other Coniferous Wood In The Rough, Cross-Sectional	0%		5%	5%
44032600	Other Coniferous Wood In The Rough, Cross-Sectional	0%		20%	20%
44039100	Oak (Quercus Spp.) Wood In The Rough, (Excl. Treat	0%		25%	25%
44039500	Birch (Betula Spp.) In The Rough, Cross-Sectional	0%		25%	25%
44039700	Poplar And Aspen (Populus Spp.) In The Rough	0%		25%	25%
44039800	Eucalyptus (Eucalyptus Spp.) In The Rough	0%		25%	25%

44039960	North American Hard Wood (Incl.Cherry/Walnut/Maple	0%		20%	20%
44039980	Other Temperate Non-Coniferous Wood In The Rough,	0%		25%	25%
44039990	Non-Coniferous Wood In The Rough, Nes	0%		25%	25%
44042000	Non-Coniferous Hoopwood; Split Poles, Wooden Sticks	8%		20%	28%
44050000	Wood Wool; Wood Flour	8%		25%	33%
44072910	Teak Wood, Sawn Lengthwise, Thick >6Mm	0%		25%	25%
44072930	Wood Of Merbau, Sawn Lengthwise, Thick >6Mm	0%		25%	25%
44072990	Tropical Wood, Nes, Sawn Lengthwise, Thick >6Mm	0%		25%	25%
44079100	Wood Of Oak(Ouercus Spp.), Sawn Lengthwise, Thick >6	0%		25%	25%
44079200	Wood Of Beech(Fagus Spp.), Sawn Lengthwise, Thick >6	0%		25%	25%
44079300	Wood Of Maple (Acer Spp.), Sawn Lengthwise, Thick >6	0%		5%	5%
44079400	Wood Of Cherry (Prunus Spp.), Sawn Lengthwise, Thick	0%		20%	20%
44079500	Wood Of Ash (Fraxinus Spp.), Sawn Lengthwise, Thick	0%		20%	20%
44079600	Wood Of Birch (Betula Spp.), Sawn Lengthwise, Thick	0%		25%	25%
44079700	Wood Of Poplar And Aspen (Populus Spp.), Sawn Leng	0%		5%	5%
44079910	Non-Tropical Rosewood, Sawn Lengthwise, Thick >6Mm	0%		25%	25%
44079930	North American Hard Wood (Incl. Cherry/Walnut/Mapl	0%		5%	5%
44079980	Other Temperate Non-Coniferous Wood, Sawn Lengthwise	0%		20%	20%
44079990	Other Non-Coniferous Wood, Sawn Lengthwise, Thick >6	0%		20%	20%
44081019	Coniferous Wood Veneer Sheets, Nes, Thick ≤6Mm	4%		20%	24%
44081090	Other Coniferous Wood, Sawn Lengthwise, Thick ≤6Mm	4%		25%	29%
44083119	Other Veneer Sheets Of Dark/Light Red Meranti & Me	4%		25%	29%
44083919	Other Veneer Sheets Of Other Tropical Wood, Thick ≤	4%		25%	29%
44083990	Other Tropical Wood, Sawn Lengthwise, Thick ≤6Mm	4%		25%	29%
44089011	Other Veneer Sheets Of Plywood, Thick ≤6Mm	4%		20%	24%
44089012	Veneer Sheet Of Temperate Non-Coniferous Wood, Thi	3%		20%	23%
44089019	Other Veneer Sheets Of Wood, Thick ≤6Mm	3%		5%	8%
44089021	Sheets For Plywood Of Temperate Non-Coniferous Woo	3%		25%	28%
44089091	Other Wood Sheets Of Temperate Non-Coniferous Wood	3%		25%	28%
44089099	Wood, Nes, Sawn Lengthwise, Thick ≤6Mm	3%		20%	23%
44092910	Other Non-Coniferous Wood Floor Strips/Boards, Cont	4%		5%	9%

44092990	Other Non-Coniferous Wood, Continuously Shaped As S	4%		25%	29%
44101900	Other Similar Board, Of Wood	4%		25%	29%
44109019	Other Particle Board, Of Ligneous Materials	8%		5%	13%
44111211	Fiberboard (Mdf) ,Thck≤5Mm, D.>0.8G/Cm3,Not Worked/	4%		25%	29%
44111219	Fiberboard (Mdf) ,Thck≤5Mm, D.>0.8G/Cm3, Worked/Cov	8%		20%	28%
44111229	Other Fiberboard(Mdf),Thck≤5Mm, 0.5G/Cm3<D.≤0.8G/C	4%		20%	24%
44111311	Fiberboard (Mdf), 5<Thck≤9Mm , D.>0.8G/Cm3,Not Work	4%		20%	24%
44111319	Fiberboard (Mdf),5<Thck≤9Mm, D.>0.8G/Cm3,Worked/Cov	8%		25%	33%
44111419	Fiberboard (Mdf) ,Thck>9Mm, D.>0.8G/Cm3,Worked/Cove	8%		25%	33%
44111421	Fiberboard (Mdf) , 5<Thck≤9Mm , 0.5G/Cm3<D.≤0.8G/Cm	4%		25%	29%
44111429	Other Fiberboard(Mdf) , 5<Thck≤9Mm , 0.5G/Cm3<D.≤0	4%		25%	29%
44111499	Fiberboard (Mdf) ,Thck>9Mm, D. ≤0.5G/Cm3, Worked/Co	4%		25%	29%
44119210	Other Wood Fiberboard, D.) 0.8G/Cm3,Not Worked/Cove	4%		25%	29%
44119290	Other Wood Fiberboard, D.) 0.8G/Cm3, Worked/Covered	8%		25%	33%
44119390	Wood Fiberboard, 0.5G/Cm3<D.≤0.8G/Cm3,Of Radiata P	4%		25%	29%
44119410	Other Wood Fiberboard, 0.35G/Cm3<D.≤0.5G/Cm3	8%		25%	33%
44119429	Other Wood Fiberboard, D. ≤0.35G/Cm3, Worked/Cover	4%		5%	9%
44121019	Other Bamboo Plywood Solely Of Sheets, Thck≤6Mm Pe	4%		25%	29%
44129410	OtherBlockboard/Laminboard/Battenboard,With At Le	10%		25%	35%
44129910	Other Plywood, With At Least One Outer Ply Of Non-	10%		25%	35%
44129999	Plywood/Veneered Panels/Laminated Board And The Li	4%		25%	29%
44130000	Densified Wood, In Blocks, Plates, Strips Or Profi	6%		25%	31%
44140010	Frames For Paintings, Photographs, Mirrors Or Simil	20%		20%	40%
44140090	Other Wooden Frames For Paintings, Photographs, Mir	20%		20%	40%
44151000	Cases, Boxes, Crates, Drums & Similar Packings Of	8%		25%	33%
44152090	Other Wooden Pallets, Box Pallets And Other Load B	8%		25%	33%
44160090	Other Wooden Casks/Barrels/Vats/Tubs & Other Coope	16%		20%	36%
44170090	Other Wooden Tools, Broom Or Brush, Boot Or Shoe Las	16%		25%	41%
44209010	Wood Marquetry And Inlaid Wood	0%		5%	5%
44209090	Wooden Caskets For Jewelry/Cutlery, Etc	0%		25%	25%

44211000	Clothes Hangers Of Wood	0%		25%	25%
44219110	Circle Sticks/Bars, Popsicle Sticks, Spatula And The	0%		25%	25%
44219190	Articles Of Bamboo, Nes	0%		20%	20%
44219990	Articles Of Wood, Nes	0%		25%	25%