

**August 14, 2020**

Goods from Hong Kong Not Subject to China Tariffs

On August 12th, CBP confirmed in a list of [frequently asked questions](#) on their website, that products from Hong Kong are not subject to the tariffs assessed against China.

The new marking requirements do not affect the origin, which is how the determination is made for assessing duties under Chapters 1-97 in the U.S. Harmonized Tariff Schedules. Therefore, goods that are products of Hong Kong will continue to be reported as HK when the country of origin is required. CBP also announced that for marking purposes, HK goods are to be marked, “Made in China,” effective September 25th, with a transition period of 45 days to allow the trade to comply.

EU Goods List Subject to Section 301 is Revised

The USTR has released an updated [list](#) of products from The European Union, subject to Section 301 tariffs as part of the disputed Airbus subsidies. The changes as outlined in the list are to take effect on September 1, 2020.

Certain products from Greece and the United Kingdom are being removed, but an equivalent amount of trade value from France and Germany are being added. The changes are said to be modest, and the number of products subject to the tariffs will remain unchanged at 7.5 billion. Tariffs will also remain unchanged at 15% for aircraft, and 25% for all other products.

U.S and U.K Complete Third Round of FTA Negotiations

On August 7th, the third round of FTA negotiations ended with good progress being made by the U.S. and U.K. The U.K.’s Department of International Trade also said in a [notice](#), that a fourth round would take place in early September. The negotiations included discussions on technical barriers to trade, rules of origin, and trade remedies. In separate discussions, U.K. Trade secretary Liz Truss focused on U.S. retaliatory tariffs on U.K. products, which included Scotch Whiskey. Truss called the tariffs, “unacceptable,” and is pushing for their immediate removal.

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Chinese Garment Company Subject to New CBP Detention Order

In a [news release](#) on August 11th, CBP issued a withhold release order for imported garments produced by the Hero Vast Group. Effective that date, CBP will stop all goods produced by Hero Vast, which includes, “Shanghai Hero Vast International Trading Co. LTD., Yuexi Hero Vast Garment Co., Ltd.; Ying Han International Co., Ltd.; and Hero Vast Canada Inc.” The withhold release order is based on information that the companies used prison labor in the production of their garments. CBP will detain all such cargo, at all ports of entry, and the Importers will have a choice to either re-export the goods, or provide information to CBP to prove the goods are not produced with forced labor.

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