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| Federal Register NoTice:Notice of Determination and Request for Public Comment Concerning Proposed Determination of Action Pursuant to Section 301: China’s Acts |  |  |

DetailsFINAL Comments Due: May 11, 2018Link to FR Notice: <https://www.gpo.gov/fdsys/pkg/FR-2018-04-06/pdf/2018-07119.pdf>Submit comments to APTA: Michael Fimmano at MFimmano@apta.com by **May 4, 2018** Highlights of noticeSummary of Proceedings in the investigationThe U.S. Trade Representative had determined that the Government of China has utilized acts, policies, and practices related to technology transfer, intellectual property and innovation that are unreasonable or discriminatory and burden or restrict U.S. commerce. In August 2017 the President signed a memorandum instructing the U.S. Trade Representative (USTR) to determine whether to investigate under section 301 of the Trade Act of 1974 laws, policies, practices, or actions of the Government of China that may be unreasonable or discriminatory and that may be harming American intellectual property rights, innovation, or technology development. The USTR then investigated consistent with the President’s memorandum. The USTR looked into four categories: (1)the use of many tools to regulate or intervene in U.S. companies’ operations in China to require or pressure the transfer of technologies and intellectual property to Chinese companies; (2)the use of acts, policies or practices that deprive U.S. companies of the ability to set market-based terms in licensing and other technology-related negotiations with Chinese companies, which undermines U.S. companies’ control over their technology in China; (3)the Chinese government reportedly directs and/or unfairly facilitates the systematic investment in and/or acquisition of U.S. companies and assets by Chinese companies to obtain cutting-edge technologies and intellectual property; and (4)whether the Chinese government conducted or supported unauthorized intrusions into U.S. commercial computer networks or cyber-enabled theft of intellectual property, etc.Determination of Acts, Policies, and Practices Under InvestigationBased on the USTR investigation, it determined that China uses foreign ownership restrictions to require or pressure technology transfer from U.S. companies, China’s regime of technology regulations forces U.S. companies to license to Chinese companies on non-market based terms, China directs and unfairly facilitates the systematic investment in and acquisition of U.S. companies to obtain cutting-edge technologies and intellectual property, and China conducts and supports unauthorized intrusions into and theft from computer networks of U.S. companies. As a result***, the USTR has proposed increased tariffs on certain goods of Chinese origin.*** The list of goods was developed by USTR analysts who first considered products that benefit from Chinese industrial policies. The list was refined by removing products likely to cause disruptions to the U.S. economy and then the remaining products were ranked according to likely impact on U.S. consumers based on available trade data involving alternative country sources for each product. The value of the increased tariffs on these products is approximately $50 billion in estimated annual trade value for calendar year 2018. wto dispute on certain discriminatory technology regulationsThe USTR will also pursue a dispute settlement in the World Trade Organization to address China’s discriminatory licensing practices. The USTR filed the dispute with the WTO on March 23, 2018. Request for public commentsThe USTR requests public comments regarding: (1) specific products subject to increased tariffs, including whether the product listed should be retained or removed or whether additional products should be added; (2) the level of increase, if any, in the rate of the tariff; and (3) the appropriate level of trade to be covered by any additional tariffs. The USTR requests that commenters address specifically whether imposing increased tariffs on a product would be practicable or effective to obtain elimination of China’s acts, policies, and practices, and whether maintaining or imposing additional tariffs on a product would cause disproportionate economic harm to U.S. interest, including small or medium-sized businesses and consumers. The USTR requests comments in a specific format, which APTA will handle after comment consolidation.Additional InformationBesides collecting comments, the USTR will hold a public hearing on the topic. The due date for filing requests to appear and a summary of expected testimony at the public hearing is **April 23, 2018**. The anticipated hearing date is **May 15, 2018**. Any post-hearing rebuttal is due May 22, 2018.  |