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July 11, 2018

To: Richard Matoian

From: Bob Schramm
Solomon Greene
Ben Browne

Re: United States Response to Chinese Retaliation

U.S. to Increase Tariffs on Chinese Products

Due to China's July 6 response to the initial section 301 action by imposing increased duties on goods from the United States, the U.S. Trade Representative (USTR) proposes a modification of the action taken in this investigation. The proposed modification will maintain the \$34 billion action and proposed \$16 billion while imposing an **additional 10 percent ad valorem duty on 6,031 Chinese products worth approximately \$200 billion**. Of the fresh agricultural products subject to these additional duties, very few are imported from China in significant quantities.

The USTR is receiving written comments on these newly proposed tariffs until August 17, 2018 and will hold a public hearing August 20-23. These proposed tariffs will not go into force before August 30, 2018.