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A Rare Opportunity: USTR Solicits Industry Input on Up to \$30 Billion in China Import Tariff Relief and Market Access for US Exports

Executive Summary

- **What's new:** USTR has issued a Federal Register notice soliciting public comments on which Chinese-origin goods — estimated to cover roughly \$30 billion in imports — should receive tariff relief under a newly chartered U.S.-China Board of Trade.
- **Why it matters:** Companies that import “non-sensitive” products from China, as well as U.S. exporters facing elevated Chinese tariffs, have a narrow window to advocate for tariff reductions and enhanced market access.
- **What to do next:** Companies should move quickly to develop evidence-based submissions to the USTR public docket by July 10, 2026, mapping proposed imports and exports to USTR questions and rubrics. We outline practical considerations for submissions.

Following the May 2026 meeting between U.S. President Trump and Chinese President Xi Jinping, the Office of the U.S. Trade Representative (USTR) issued a Federal Register notice (Notice) on June 2, 2026, soliciting public comments on which Chinese-origin goods (expected to cover about \$30 billion in imports) should receive tariff relief under a newly chartered U.S.-China Board of Trade. The Notice invites comment on which imports are sufficiently “non-sensitive” and beneficial to the U.S. economy to warrant tariff liberalization. The Notice also solicits input on improved access to the Chinese market for U.S. exports.

U.S. Ambassador Jamieson Greer has stated that, once stakeholder input is received through the public comment process, his staff will negotiate with Chinese counterparts “over where we think we have the strongest mutually beneficial trade.”¹ Depending on how negotiations proceed under the auspices of the Board of Trade, USTR may then provide tariff relief for imports and secure corresponding tariff relief on the Chinese side for U.S. exports highlighted by stakeholders.

¹ USTR press release “President Trump’s State Visit to China Delivers Historic Deals and Greater Market Access for American Farmers, Ranchers, Workers, and Businesses” (May 18, 2026).

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The Xi-Trump Meeting and the Path to a Bilateral Détente

This opportunity for tariff relief emerged from the May 2026 state visit between the U.S. and China, which officials from both countries have characterized as a step toward stabilizing the bilateral relationship after a year of escalation and partial truce. The Chinese official readout confirms that “[b]oth sides agreed to establish a Trade Council and an Investment Council to discuss their respective concerns in the areas of trade and investment.”² According to this readout, the two governments will “discuss issues such as tariff reductions on relevant products through the Trade Council and have agreed in principle to reduce tariffs on products of equal size of concern to each other.”³

Official statements from the U.S. have focused on Chinese purchasing commitments, including an initial order of 200 Boeing aircraft (with a stated path to 750), associated General Electric engines and “double-digit billion” annual agricultural purchases over the next three years (beyond the existing soybean arrangement).⁴ China has also moved to reregister lapsed beef export facilities and resume poultry imports.

The détente is partial and conditional. Ambassador Greer has emphasized that the United States retains the option to raise China’s tariff rate back to its level under the “Busan deal” reached in late 2025 (which could match the rate that was in place before the February 2026 Supreme Court ruling in the landmark case *Learning Resources, Inc. v. Trump*). Greer also stated that ongoing Section 301 investigations into structural overcapacity, forced labor and compliance with the U.S.-China Phase One Agreement may produce additional tariffs. Thus, the public comment process announced by USTR will unfold against a backdrop in which tariff escalation remains a distinct possibility.

The Board of Trade

The Board of Trade is the U.S. term for a standing bilateral mechanism through which USTR and China’s Ministry of Commerce will consult on trade frictions and use coordinated tariff adjustments to “manage” trade flows in approved categories. As described by Ambassador Greer, the board is

“focused on trade in non-sensitive goods,” meaning that high-technology items and goods with military applications will be excluded. The Notice supplies a working definition of this key term: “Non-sensitive” products are those that “give rise to few, if any, issues related to economic and national security and supply chain resilience risks.” The Notice does not, however, fix the universe of qualifying products — which sectors and goods should be treated as nonsensitive is itself one of the questions on which USTR seeks comment. The Board of Trade is paired with a Board of Investment that is intended to, in the words of Ambassador Greer, serve almost as “a firefighter” for emerging investment disputes rather than function as a screening regime.⁵

The initial workstream contemplates identifying approximately \$30 billion in U.S. imports from China, matched by a comparable Chinese-side list, that would receive reduced tariff treatment — what some participants have called a “30 for 30” approach. Reflecting this mutuality, the Notice solicits input in both directions — on Chinese-origin goods that the United States should import at lower (*e.g.*, most favored nation (MFN)) rates, and on U.S. exports facing elevated Chinese tariffs that warrant reduction to China’s MFN rates. The Notice also seeks comments on the design and operation of the Board of Trade, including how often it should convene and how the list of nonsensitive products should be adjusted over time.

Distinctive Comment Process

The comment process echoes previous tariff comment procedures in certain respects, while differing in others. The clearest parallel is the exclusion process for the Section 301 China tariffs and Section 232 steel and aluminum tariffs. During the first Trump administration, importers could apply for product-specific exclusions from these tariffs, but had to justify these requests based on a range of criteria, including whether the product in question was available in the United States. Stakeholders opposing the exclusion request would be given an opportunity to file rebuttal materials, and the agencies in question — USTR and the U.S. Department of Commerce, respectively — would then grant or deny the application.

At present, exclusions from Section 301 China tariffs apply only to 178 products; these exclusions expire in November 2026. Exclusions under the Section 301 regime have historically arisen through either product-specific importer requests or lists of exclusions (*e.g.*, solar manufacturing machinery) proposed by USTR and subject to public comment, as an outgrowth of the four-year review of the Section 301 China tariffs.

² Ministry of Commerce of the People’s Republic of China press release “[MOFCOM Spokesperson’s Remarks on the Preliminary Outcomes of China-U.S. Economic and Trade Consultations](#)” (May 19, 2026).

³ *Id.*

⁴ The White House Fact Sheet “[President Donald J. Trump Secures Historic Deals With China, Delivering for American Workers, Farmers, and Industry](#),” (May 17, 2026); Remarks by President Donald J. Trump to Reporters Aboard Air Force One (May 15, 2026).

⁵ Transcript: U.S. Trade Representative Jamieson Greer on “Face the Nation With Margaret Brennan,” CBS News (May 17, 2026).

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Conversely, during the second Trump administration, the Section 232 exclusion regime was abolished, but in its place, the Commerce Dept. instituted an “inclusions” process. Domestic producers or trade associations could petition to include products in the list of “derivative” steel or aluminum products subject to the Section 232 tariffs. Petitioners had to explain why inclusion of the product was needed to prevent circumvention or erosion of the Section 232 tariffs. After reviewing any rebuttal materials, the Commerce Dept. would accept or deny the request (accepting the requests in the vast majority of cases).⁶

The Notice now provides key parameters of the public comment process, which has the following characteristics:

- **A wide aperture.** Nothing in the Notice restricts who may comment, and any resulting tariff reductions would apply broadly to a subheading in the Harmonized Tariff Schedule of the United States (HTSUS) rather than to specific companies. The Notice solicits input on both sides of the ledger — which Chinese-origin products currently subject to additional U.S. tariffs should be imported at lower rates “such as MFN (Column 1) rates,” and which U.S.-origin products should be able to reach the Chinese market at China’s MFN rates.
- **Eligibility dependent on “non-sensitivity.”** Importers must provide a robust explanation of why the goods proposed for tariff reduction are “non-sensitive” — *i.e.*, they present few, if any, national security or economic security issues or supply chain resilience risks. Importers need to give careful consideration to the products that they put forward as “non-sensitive,” given how the concepts of national security and economic security have broadened in recent years. This is evident, for instance, in the array of investigations and orders issued over the past year-and-a-half under Section 232 of the Trade Expansion Act of 1962, which permits the president to impose tariffs and other trade restrictions if certain imported goods threaten to impair national security.
- **Detailed evidence of economic benefit and harm.** For each candidate import, the Notice requests (i) the 2022–2024 average annual value of U.S. imports; (ii) China’s share of U.S.

imports of the product; (iii) whether the tariff has produced a “tariff inversion” (*i.e.*, the tariff is higher on a manufacturing input than on the downstream finished product, with the average differential specified); and (iv) the specific U.S. consumers, workers and producers who would benefit or be harmed by the modification. In this respect, the importer may want to cite if the imported good is unavailable in the United States, is available in insufficient quantities or levels of quality, or is not economically feasible to purchase. But this line of reasoning should only be employed to the extent that it does not imply that a nascent, developing U.S. industry (and associated workers) would be harmed by the imported goods.

- **Tariff reduction not necessarily limited to Section 301.** In contrast to previous exclusion regimes tied to a single program, the Notice contemplates favorably modifying an array of additional, non-MFN tariffs imposed on Chinese imports through U.S. authorities (*e.g.*, Section 232, Section 301, etc.) — as long as doing so would not conflict with U.S. law. Relief would entail reducing or removing these additional tariffs, such that the resulting overall tariff would approach the baseline MFN (Column 1) rate. In other words, the product would not necessarily enter the country duty-free; it would, at a minimum, continue to face MFN rates.
- **Rebuttal options.** The Notice confirms that interested parties may submit rebuttals or responses to comments through a separate public docket (USTR-2026-0431) by July 27, 2026, consistent with the practice for the Section 301 China exclusion process. Domestic manufacturers should track the initial comments to evaluate any potential competitive impact and be prepared to rebut the arguments raised.
- **A multistage process.** In contrast to past exclusion (and inclusion) processes, the public comment period is only the first stage of a longer, negotiation-intensive process leading to tariff relief. This process entails: (i) a public comment period, (ii) selection of a set of products for inclusion on the U.S. negotiating list, (iii) negotiations with China and (iv) implementation of tariff reductions following these negotiations.

Practical Considerations for Submissions

Companies can submit comments to the public docket (USTR-2026-0430) through the USTR portal by July 10, 2026, and any rebuttals or responses are due by July 27, 2026. Companies that rely on Chinese-sourced inputs — and U.S. exporters facing elevated Chinese tariffs — should move quickly to develop the factual record needed to make a compelling submission.

Conversely, as mentioned above, companies concerned about the

⁶ *Adoption and Procedures of the Section 232 Steel and Aluminum Tariff Inclusions Process*, 90 Fed. Reg. 18,780 (May 2, 2025). The Commerce Dept.’s Bureau of Industry and Security terminated the Section 232 steel and aluminum exclusions process and replaced it with an inclusions process. Under that process, a domestic producer or industry association could petition to add derivative articles to the scope of the Section 232 duties (and the secretary of commerce could also do so unilaterally), provided the petition showed that imports of the derivative article threaten to impair national security. The Commerce Dept. posted each request for public comment and was required to grant or deny it within 60 days. This process was discontinued in April 2026 by Proclamation No. 11021, *Strengthening Actions Taken to Adjust Imports of Aluminum, Steel, and Copper Into the United States*, 91 Fed. Reg. 18,201 (Apr. 9, 2026).

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potential impact of Chinese imports should monitor the USTR docket and assess whether to file rebuttal comments opposing requests for tariff reduction.

Companies preparing submissions in response to the Notice should focus on the following:

- **Developing a proposed list of imports mapped to USTR’s questions.** Identify China-origin goods at the eight-digit HTSUS level that (i) are commercial priorities for the company and (ii) qualify as “non-sensitive.” For each, explain why the good warrants tariff reduction and address every category of data requested by the Notice.
- **Building a list of U.S. exports for enhanced market access.** U.S. exporters should identify U.S.-origin products that currently face elevated Chinese tariffs and provide a robust case as to why USTR should urge China to reduce these tariffs so that the products face only China’s MFN tariff rates. Here, again, the Notice requests supporting data — including 2022-2024 average annual export values — and asks whether the product is (i) an “agricultural product” under Annex 1 of the WTO Agreement on Agriculture, (ii) an industrial product of which exports to China have declined significantly in recent years or (iii) a product subject to multiple Chinese tariff actions or exceptionally high Chinese tariffs. The Notice further inquires whether China would likely continue purchasing the product notwithstanding its above-MFN tariffs. U.S. exporters will need to provide a comprehensive response to each of these questions.

- **Planning a substantial, evidence-based effort.** Mapping the trade data and the benefit-and-harm impacts the Notice requests — including effects on specific U.S. consumers, workers and producers — is a significant undertaking that, for many products, will benefit from economic analysis and early cross-functional coordination.
- **Drafting administrable product descriptions.** The Notice states that “[w]here applicable, products should be identified at the HS 8-digit level.” While importers should identify products using the eight-digit HTSUS code and terms of the associated headings, the Notice does not appear to preclude providing even greater specificity, which may be appropriate given the wide range of products that can fall within an eight-digit code. Importers should consider using 10-digit HTSUS codes and/or more detailed product descriptions, akin to what is provided in the Section 301 exclusions. We note that USTR and U.S. Customs and Border Protection have historically required physical, verifiable descriptions rather than end-use language, trade names or subjective qualifiers.

Looking Ahead

With the comment period now open through July 10, 2026, USTR is in active listening mode regarding tariff relief for certain Chinese imports and negotiating greater market access for certain U.S. products in China. Companies should take advantage of this opportunity to shape comments and influence negotiations. Prompt, thoughtful and targeted comments are likely to maximize the chances of an optimal outcome.