



**UNITED STATES – UNIVERSAL AND COUNTRY-SPECIFIC
ADDITIONAL DUTIES ON IMPORTS FROM CHINA**

REQUEST FOR CONSULTATIONS BY CHINA

The following communication, dated 4 April 2025, from the delegation of China to the delegation of the United States, is circulated to the Dispute Settlement Body in accordance with Article 4.4 of the DSU.

My authorities have instructed me to request consultations with the Government of the United States of America pursuant to Articles 1 and 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Article XXIII of the General Agreement on Tariffs and Trade 1994 ("GATT 1994"), Article 19 of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 (the "Customs Valuation Agreement"), and Article 4 and 30 of the Agreement on Subsidies and Countervailing Measures (the "SCM Agreement"), with respect to the United States' so-called "reciprocal tariff" measures that impose additional duties on products from all its trading partners, including China.

I. MEASURES AT ISSUE

1. On 2 April 2025, the United States issued the fact sheet¹ and the Executive Order entitled *Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits*² (hereinafter the "Executive Order"), that impose additional tariffs on all imports from all of United States' trading partners. A universal additional ad valorem rate of duty of 10%, effective on 5 April 2025, is imposed on products from all United States' trading partners. Subsequently, for the United States' trading partners as enumerated in Annex 1 to the Executive Order, a country-specific additional tariff, effective on 9 April 2025, would apply and the duty rate shall increase from 10% to the rate as set forth in the above mentioned Annex.

2. As a consequence, all products originating in China are subject to a 10% additional tariff, effective on 5 April 2025, and a 34% additional tariff, effective on 9 April 2025. The additional tariffs are imposed in addition to any other duties or charges applicable to the imported products, including the United States' bound rates in its Schedule of Concessions and Commitments annexed to the GATT 1994, and the country-specific tariffs in particular, accord differential treatment to products originating from different WTO Members.

3. Additionally, the exemption of the so-called "U.S. content" of a product from the additional tariffs as specified in Section 3(f) involving the application of unjustified customs valuation methods

¹ Fact Sheet dated on 2 April 2025, entitled *President Donald J. Trump Declares National Emergency to Increase our Competitive Edge, Protect our Sovereignty, and Strengthen our National and Economic Security*, see <https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-declares-national-emergency-to-increase-our-competitive-edge-protect-our-sovereignty-and-strengthen-our-national-and-economic-security/>.

² Executive Order of 2 April 2025, entitled *Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits*, see <https://www.whitehouse.gov/presidential-actions/2025/04/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and-persistent-annual-united-states-goods-trade-deficits/>.

and the foregone government revenue that is otherwise due provides a more favourable condition for certain imported products and the export of domestic products.

4. The measures at issue, adopted by the United States unilaterally on the alleged basis of "reciprocity" and "trade balance", are a clear breach of its own WTO obligations and commitments, and seriously undermine the rules-based multilateral trading system, and are discriminatory and protectionist in nature.

5. The legal documents through which the United States imposes and administers the measures at issue include, *inter alia*:

- the International Emergency Economic Powers Act of 1977, 50 U.S.C 1701 et seq;
- the National Emergencies Act, 50 U.S.C. 1601 et seq;
- Section 604 of the Trade Act of 1974, 19 U.S.C. 2483;
- Executive Order of 2 April 2025: Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits, effective on 5 April 2025;
- Fact Sheet: President Donald J. Trump Declares National Emergency to Increase our Competitive Edge, Protect our Sovereignty, and Strengthen our National and Economic Security.

6. The measures at issue also include any amendments, supplements, or extensions to the measures specified above, as well as any closely connected, subsequent, replacement or implementing measures.

II. LEGAL BASIS OF THE COMPLAINT

7. The measures at issue appear to be inconsistent with the United States' obligations under the following provisions of the GATT 1994, the Customs Valuation Agreement, and the SCM Agreement, including:

- Article I:1 of the GATT 1994, because the measures at issue fail to extend immediately and unconditionally to products originating in China an "advantage, favour, privilege or immunity" granted by the United States "[w]ith respect to customs duties and charges of any kind imposed on or in connection with" the importation of products originating in the territory of other Members.
- Article II:1(a) and (b) of the GATT 1994, because the United States imposes additional tariffs on all imported products originating in China as identified in measures above that are in excess of United States bound rates in its Schedule of Concessions and Commitments annexed to the GATT 1994, and therefore fails to accord to the products originating in China and imported into the United States treatment no less favourable than that provided for in the United States' Schedule of Concessions and Commitments annexed to the GATT 1994.
- Article X:3(a) of the GATT 1994, because the United States does not administer the measures at issue in a uniform, impartial, and reasonable manner.
- Articles 1.1 and 8 of the Customs Valuation Agreement, and the relevant interpretative Notes in Annex I thereto, as well as paragraphs 1 and 2 of the General Introductory Commentary of the Customs Valuation Agreement, and Articles VII:1, VII:2(a), (b) and (c) of the GATT 1994, because the United States, by excluding the value of the "U.S. content" of the imported products from the application of the additional tariffs, fails to use the transaction value, that is the price actually paid or payable for the goods, as the basis for customs value, and applies unjustified adjustment or valuation methods for customs purposes.
- Articles 3.1 and 3.2 of the SCM Agreement, because the United States, by excluding the value of the "U.S. content" of the imported products from the application of the additional

tariffs, provides subsidies, within the meaning of Article 1 of the SCM Agreement, contingent in law or in fact, upon export performance and the use of domestic over imported goods. The available evidences are the documents listed in the Measures at Issue above.

8. In addition, and as a consequence of the foregoing, the measures at issue appear to nullify or impair benefits accruing to China, directly or indirectly, under the cited agreements.

9. China reserves the right to raise additional measures and claims regarding the matters identified herein during the course of consultations and in any future request for the establishment of a panel.

10. China looks forward to receiving the reply of the United States to this request and to setting a mutually convenient date for consultations.
