

30. *Turki Alsehri*: Turki Alsehri was designated on November 15, 2018, for being responsible for, or complicit in, or having directly or indirectly engaged in serious human rights abuse. He played a role in the killing of Jamal Khashoggi on October 2, 2018.

31. *Mohammed Alotaibi*: Mohammed Alotaibi was designated on November 15, 2018, for being responsible for, or complicit in, or having directly or indirectly engaged in serious human rights abuse. Alotaibi played a role in the killing of Jamal Khashoggi and, in his capacity as Consul General, oversaw the Consulate General of Saudi Arabia in Istanbul where the killing occurred.

### Visa Restrictions Imposed

Although no visa restrictions were imposed under the Act during 2018, persons designated pursuant to E.O. 13818 shall be subject to the visa restrictions articulated in section 2, unless an exception applies. Section 2 provides that the entry of persons designated under section 1 of the order is suspended pursuant to Presidential Proclamation 8693. In addition, the Department of State continues to take action, as appropriate, to impose visa restrictions on those responsible for certain human rights violations and corruption pursuant to other authorities, including Presidential Proclamations 7750 and 8697, and Section 7031(c) of the FY2018 Consolidated Appropriations Act. In addition, section 212(a)(3)(E) of the Immigration and Nationality Act renders aliens ineligible for visas if a consular officer has reason to believe that they participated in acts of genocide, torture or extrajudicial killings. The Department of State also continues to share information on an ongoing basis about the operation of Presidential Proclamation 7750 and section 7031(c) with interested governments.

### Termination of Sanctions

The Secretary of the Treasury, in consultation with the Secretary of State, terminated financial sanctions on the following persons previously designated for serious human rights abuse:

1. *Abdulhamit Gul*: On November 2, 2018, the Department of the Treasury terminated sanctions with respect to Abdulhamit Gul.
2. *Suleyman Soyly*: On November 2, 2018, the Department of the Treasury terminated sanctions with respect to Suleyman Soyly.

### Efforts To Encourage Governments of Other Countries To Impose Sanctions Similar to Those Authorized by the Act

In 2018, the Administration undertook an expansive outreach campaign in Europe, Canada, and the United Kingdom to lay the groundwork for a multilateral, trans-Atlantic human rights sanctions regime. After consulting closely with Canada, the United Kingdom, France, Germany, Spain, The Netherlands, Belgium, Estonia, Lithuania, and the European Union, the Administration has identified champions, partners, and potential spoilers of the objectives established by Congress within the Act. Subsequent to our outreach, the Foreign Ministers of Canada and the Netherlands, and the Prime Minister of the United Kingdom each publicly endorsed the establishment of a human rights sanctions program at the European Union. The United States joins our Canadian, Dutch, and British partners in calling for such a program, and continues to provide both public and private support for this initiative. The Departments of State and Treasury have, over the last year, shared information, coordinated messaging, and provided technical assistance to this end.

Dated: December 19, 2018.

**David Hale**,

*Under Secretary for Political Affairs,*  
*Department of State.*

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**BILLING CODE 4710-AE-P**

### OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

#### Notice of Product Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Notice of product exclusions.

**SUMMARY:** Effective July 6, 2018, the U.S. Trade Representative (Trade Representative) imposed additional duties on goods of China with an annual trade value of approximately \$34 billion (the \$34 billion action) as part of the action in the Section 301 investigation of China's acts, policies, and practices related to technology transfer, intellectual property, and innovation. The Trade Representative's determination included a decision to establish a product exclusion process. The Trade Representative initiated the exclusion process in July 2018, and stakeholders have proceeded to submit

requests for the exclusion of specific products. This notice announces the Trade Representative's determination to grant certain exclusion requests, as specified in the Annex to this notice. The Trade Representative will continue to issue decisions on pending requests on a periodic basis.

**DATES:** The product exclusions announced in this notice will apply as of the July 6, 2018 effective date of the \$34 billion action, and will extend for one year after the publication of this notice. U.S. Customs and Border Protection will issue instructions on entry guidance and implementation.

**FOR FURTHER INFORMATION CONTACT:** For general questions about this notice, contact Assistant General Counsels Arthur Tsao or Megan Grimball, or Director of Industrial Goods Justin Hoffmann at (202) 395-5725. For specific questions on customs classification or implementation of the product exclusions identified in the Annex to this notice, contact [traderemedy@cbp.dhs.gov](mailto:traderemedy@cbp.dhs.gov).

#### SUPPLEMENTARY INFORMATION:

##### A. Background

For background on the proceedings in this investigation, please see the prior notices issued in the investigation, including 82 FR 40213 (August 23, 2017), 83 FR 14906 (April 6, 2018), 83 FR 28710 (June 20, 2018), 83 FR 33608 (July 17, 2018), 83 FR 38760 (August 7, 2018), and 83 FR 40823 (August 16, 2018), 83 FR 47974 (September 21, 2018), and 83 FR 65198 (December 19, 2018).

Effective July 6, 2018, the Trade Representative imposed additional 25 percent duties on goods of China classified in 818 8-digit subheadings of the Harmonized Tariff Schedule of the United States (HTSUS), with an approximate annual trade value of \$34 billion. See 83 FR 28710. The Trade Representative's determination included a decision to establish a process by which U.S. stakeholders may request exclusion of particular products classified within an 8-digit HTSUS subheading covered by the \$34 billion action from the additional duties. The Trade Representative issued a notice setting out the process for the product exclusions, and opening a public docket. See 83 FR 32181 (the July 11 notice).

Under the July 11 notice, requests for exclusion had to identify the product subject to the request in terms of the physical characteristics that distinguish the product from other products within the relevant 8-digit subheading covered by the \$34 billion action. Requestors

also had to provide the 10-digit subheading of the HTSUS most applicable to the particular product requested for exclusion, and could submit information on the ability of U.S. Customs and Border Protection to administer the requested exclusion. Requestors had to provide the quantity and value of the Chinese-origin product that the requestor purchased in the last three years. With regard to the rationale for the requested exclusion, requests had to address the following factors:

- Whether the particular product only is available from China and specifically whether the particular product and/or a comparable product is available from sources in the United States and/or third countries.

- Whether the imposition of additional duties on the particular product would cause severe economic harm to the requestor or other U.S. interests.

- Whether the particular product is strategically important or related to “Made in China 2025” or other Chinese industrial programs.

The July 11 notice stated that the Trade Representative would take into account whether an exclusion would undermine the objective of the Section 301 investigation.

The July 11 notice required submission of requests for exclusion from the \$34 billion action no later than

October 9, 2018, and noted that the Trade Representative would periodically announce decisions. The Trade Representative regularly updates the status of each pending request and posts the status at <https://ustr.gov/issue-areas/enforcement/section-301-investigations/request-exclusion>.

#### **B. Determination To Grant Certain Exclusions**

Based on the evaluation of the factors set out in the July 11 notice, which are summarized above, pursuant to sections 301(b), 301(c), and 307(a) of the Trade Act of 1974, as amended, and in accordance with the advice of the interagency Section 301 Committee, the Trade Representative has determined to grant the product exclusions set out in the Annex to this notice. The Trade Representative’s determination also takes into account advice from advisory committees and any public comments on the pertinent exclusion requests.

As set out in the Annex to this notice, the exclusions are established in two different formats: (1) As an exclusion of an existing 10-digit subheading from within an 8-digit subheading covered by the \$34 billion action, or (2) as an exclusion reflected in specially prepared product descriptions. In particular, the exclusions take the form of seven 10-digit HTSUS subheadings,

and 24 specially prepared product descriptions.

In accordance with the July 11 notice, the exclusions are available for any product that meets the description in the Annex, regardless of whether the importer filed an exclusion request. Further, the scope of each exclusion is governed by the scope of the 10-digit headings and product descriptions in the Annex to this notice, and not by the product descriptions set out in any particular request for exclusion.

The exclusions in the Annex cover approximately 1,000 separate exclusion requests: the excluded 10-digit subheadings cover 918 separate requests, and the 24 specially drafted product descriptions cover approximately 66 separate requests.

As stated in July 11 Notice, the exclusions will apply as of the July 6, 2018 effective date of the \$34 billion action, and extend for one year after the publication of this notice. U.S. Customs and Border Protection will issue instructions on entry guidance and implementation.

The Trade Representative will continue to issue determinations on pending requests on a periodic basis.

**Stephen Vaughn,**

*General Counsel, Office of the U.S. Trade Representative.*

**BILLING CODE 3290-F9-C**

**ANNEX**

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on July 6, 2018, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified:

1. by inserting the following new heading 9903.88.05 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.88.05	Articles the product of China, as provided for in U.S. note 20(h) to this subchapter, each covered by an exclusion granted by the U.S. Trade Representative . . . . .	The duty provided in the applicable subheading”		

2. by inserting the following new U.S. note 20(h) to subchapter III of chapter 99 in numerical sequence:

“(h) The U.S. Trade Representative determined to establish a process by which particular products classified in heading 9903.88.01 and provided for in U.S. notes 20(a) and 20(b) could be excluded from the additional duties imposed by heading 9903.88.01. See 83 Fed. Reg. 28710 (June 20, 2018) and 83 Fed. Reg. 32181 (July 11, 2018). Pursuant to the product exclusion process, the U.S. Trade Representative has determined that the additional duties provided for in heading 9903.88.01 shall not apply to the following particular products, which are provided for in the enumerated statistical reporting numbers:

- (i) 8412.21.0075
- (ii) 8418.69.0120
- (iii) 8480.71.8045
- (iv) 8482.10.5044
- (v) 8482.10.5048
- (vi) 8482.10.5052
- (vii) 8525.60.1010
- (viii) Spark-ignition engines for marine propulsion, outboard, each rated at not less than 29.83 kW but not more than 44.74 kW (described in statistical reporting number 8407.21.0080)

- (ix) Welded hydraulic linear acting (cylinders) engines and motors, each with piston bore of 12.7 mm or more but not over 34.6 mm, with stroke not over 11.43 m, overall length not over 15.24 m and rod diameter not over 1.219 m (described in statistical reporting number 8412.21.0030)
- (x) Stretchers of stainless steel, designed to move rollers to adjust tension of paper fabric to be dried, each with a pivoting arm with an actuator, linear rail movement with an actuator, and front and back units with mounting holes for tube roll bearing housings (described in statistical reporting number 8419.90.2000)
- (xi) Roller machines with dies for embossing paper, manually powered (described in statistical reporting number 8420.10.9080)
- (xii) Salad spinners of plastics, with capacity of at least 2.4 liters but not more than 3.8 liters (described in statistical reporting number 8421.19.0000)
- (xiii) Nonelectric water filtration apparatus consisting of three cylinder-shaped filter cartridges, each measuring 6.35 cm by 26.67 cm, having water storage tank and plastic tubing measuring 0.63 cm or more but not over 0.95 cm, presented with installation kit (described in statistical reporting number 8421.21.0000)
- (xiv) Winches, each having a winch frame with a corrosion resistant coating and stainless steel mandrel with nylon bushings, operated manually by a worm gear mechanism (described in statistical reporting number 8425.39.0100)
- (xv) Elevators, comprising L-shaped steel buckets bolted to a steel chain, with guide rollers and a drive system (described in statistical reporting number 8428.32.0000)
- (xvi) Belt conveyors, each comprising a frame with leveling feet, electric motor and food grade plastic conveyor belt (described in statistical reporting number 8428.33.0000)
- (xvii) Belt conveyors, each comprising a welded frame with leveling feet and casters, electric motor and food grade plastic modular conveyor belt (described in statistical reporting number 8428.33.0000)
- (xviii) Guards of stainless steel, designed to shield operators of papermaking machines from moving or rotating equipment, each with dimensions ranging from 30 cm by 30 cm by 50 cm to 50 cm by 50 cm by 4 m, weighing 30 kg or more but not over 100 kg (described in statistical reporting number 8439.99.1000)
- (xix) Scrapers ("doctors") of stainless steel, designed to scrape impurities from the rotating roll surface of the forming and press sections of papermaking machines, each comprising a beam with a blade of non-symmetrical cross section, long aspect ratio, and mounting journals and turning devices on either end, with dimensions ranging from 50 cm by 50 cm by 8 m to 60 cm by 6 m by 11 m, weighing 1 metric ton or more but not over 3 metric tons (described in statistical reporting number 8439.99.1000)
- (xx) Frameworks of the forming and press section of papermaking machines, of stainless steel or clad mild steel with stainless or acid proof steel, each with dimensions ranging from 1 m by 1 m by 1 m to 2.3 m by 2.3 m by 12 m, weighing 500 kg or more but not over 40 metric tons (described in statistical reporting number 8439.99.1000)
- (xxi) Guides of stainless steel, designed for locating conveyer belts on papermaking machines, each with a moving arm with an actuator and front and back units with mounting holes for tube roll bearing houses, each with dimensions ranging from 40

- cm by 50 cm by 30 cm to 1 m by 1 m by 50 cm, weighing 300 kg or more but not over 500 kg (described in statistical reporting number 8439.99.1000)
- (xxii) Rollers of steel and cast iron ("nip rollers") with bearing journals on either end, designed for use in paper manufacturing to mechanically compress paper web to remove water or impart desired mechanical properties in paper web, each with a polymer cover, the foregoing with length of 7 m or more but not over 12 m, with diameter of 1 m or more but not over 1.5 m, weighing 15 metric tons or more but not over 30 metric tons (described in statistical reporting number 8439.99.1000)
- (xxiii) Open containers ("savealls") of stainless steel, designed to catch water run off generated in the papermaking process, constructed of large square shaped plates and flat constructions with mounting holes on ends, each with dimensions ranging from 50 cm by 50 cm by 50 cm to 1.5 m by 1 m by 10 m, weighing 50 kg or more but not over 2 metric tons (described in statistical reporting number 8439.99.1000)
- (xxiv) Stretchers of stainless steel, designed to move rollers of papermaking machines to adjust tension of fabric, each with a pivoting arm with an actuator, linear rail movement with an actuator and front and back units with mounting holes for tube roll bearing housings (described in statistical reporting number 8439.99.1000)
- (xxv) Suction boxes of stainless steel, which remove water from paper web or papermaking fabrics during papermaking, each with dimensions ranging from 50 cm by 50 cm by 8 m to 1 m by 1 m by 10 m, weighing 1.5 metric tons or more but not over 2 metric tons (described in statistical reporting number 8439.99.1000)
- (xxvi) Rollers of stainless steel or cast iron, designed for use in paper manufacturing to support and convey papermaking cloth (i.e. fabric) or the paper web, each weighing 7 metric tons or more but not over 20 metric tons, measuring 7 m or more but not over 12 m in length, with diameter of 40 cm or more but not over 1.5 m, presented with bearing journals on either end and a polymer cover (described in statistical reporting number 8439.99.1000)
- (xxvii) Workstands designed to use with miter saws, each with metal tube frame, 4 metal legs and 2 metal extension arms (described in statistical reporting number 8466.92.5010)
- (xxviii) Workstands designed for use with miter saws, each with wheels to make workstand mobile and with sides that fold up to extend the work area (described in statistical reporting number 8466.92.5010)
- (xxix) Angle cock handle assemblies, of iron and steel, each measuring 11.43 cm by 21.59 cm by 5.08 cm and weighing 0.748 kg (described in statistical reporting number 8481.90.9040)
- (xxx) Radiation therapy systems, each encased by steel-based structural shell with gantry cover comprising three pairs of plastics-based panels (described in statistical reporting number 9022.14.0000)
- (xxxi) Thermostats designed for air conditioning or heating systems, not designed to connect to the internet, the foregoing designed for wall mounting (described in statistical reporting number 9032.10.0030)

3. by amending the last sentence of the first paragraph of U.S. note 20(a) to subchapter III to chapter 99 by inserting after the phrase “imposed by heading 9903.88.01” the following phrase:
 

“, except products of China granted an exclusion by the U.S. Trade Representative and provided for in heading 9903.88.05 and U.S. note 20(h) to subchapter III of chapter 99”;
4. by amending the first sentence of U.S. note 20(b) to subchapter III to chapter 99 by inserting after the phrase “the following 8-digit subheadings” the following phrase:
 

“, except products of China granted an exclusion by the U.S. Trade Representative and provided for in heading 9903.88.05 and U.S. note 20(h) to subchapter III of chapter 99”;

and
5. by amending the Article Description of heading 9903.88.01:
  - a. by deleting: “Articles the product of China,” and
  - b. inserting in lieu thereof: “Except as provided in heading 9903.88.05, articles the product of China,”.

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**OFFICE OF THE UNITED STATES  
 TRADE REPRESENTATIVE**

[Docket No. USTR–2018–0037]

**Request for Comments and Notice of  
 a Public Hearing Regarding the 2019  
 Special 301 Review**

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Request for comments and notice of public hearing.

**SUMMARY:** Each year, the Office of the United States Trade Representative (USTR) conducts a Special 301 review to identify countries that deny adequate and effective protection of intellectual property rights (IPR) or deny fair and equitable market access to U.S. persons who rely on intellectual property protection. Based on this review, the United States Trade Representative (Trade Representative) determines which, if any, of these countries to identify as Priority Foreign Countries. USTR requests written comments that identify acts, policies, or practices that may form the basis of a country’s identification as a Priority Foreign Country or placement on the Priority Watch List or Watch List. USTR also requests notices of intent to appear at the public hearing.

**DATES:**

February 7, 2019 at 11:59 p.m. EST: Deadline for submission of written comments, hearing statements, and notices of intent to appear at the hearing from the public.

February 21, 2019 at 11:59 p.m. EST: Deadline for submission of written comments, hearing statements, and notices of intent to appear at the hearing from foreign governments.

February 27, 2019: The Special 301 Subcommittee will hold a public hearing at the Office of the United States Trade Representative, 1724 F Street NW, Rooms 1&2, Washington, DC. If necessary, the hearing may continue on the next business day. Please consult the USTR website at <https://ustr.gov/issue-areas/intellectual-property/Special-301>, for confirmation of the date and location and the schedule of witnesses. March 5, 2019 at 11:59 p.m. EST: Deadline for submission of post-hearing written comments from persons who testified at the public hearing.

On or about April 26, 2019: USTR will publish the 2019 Special 301 Report within 30 days of the publication of the National Trade Estimate (NTE) Report.

**ADDRESSES:** USTR strongly encourages electronic submissions made through the Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the submission instructions in section IV below. The docket number is USTR–2018–0037. For alternatives to on-line submissions, please contact USTR at [Special301@ustr.eop.gov](mailto:Special301@ustr.eop.gov) before

transmitting a comment and in advance of the relevant deadline.

**FOR FURTHER INFORMATION CONTACT:** Sung Chang, Director for Innovation and Intellectual Property, at [special301@ustr.eop.gov](mailto:special301@ustr.eop.gov). You can find information about the Special 301 Review at [www.ustr.gov](http://www.ustr.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Background**

Section 182 of the Trade Act of 1974 (Trade Act) (19 U.S.C. 2242), commonly known as the “Special 301” provisions, requires the Trade Representative to identify countries that deny adequate and effective IPR protections or fair and equitable market access to U.S. persons who rely on intellectual property protection. The Trade Act requires the Trade Representative to determine which, if any, of these countries to identify as Priority Foreign Countries. Acts, policies or practices that are the basis of a country’s identification as a Priority Foreign Country can be subject to the procedures set out in sections 301–305 of the Trade Act (19 U.S.C. 2411–2415).

In addition, USTR has created a “Priority Watch List” and “Watch List” to assist the Administration in pursuing the goals of the Special 301 provisions. Placement of a trading partner on the Priority Watch List or Watch List indicates that particular problems exist in that country with respect to IPR protection, enforcement, or market access for persons that rely on