



Global Trade Advisory Alert

US requires imports of Hong Kong goods to be marked as goods of China

On 11 August 2020, US Customs and Border Protection (“CBP”) published a general notice in the *Federal Register* notifying the public that it will adjust the country of origin marking requirements on Hong Kong goods, as mandated by President Trump’s Executive Order 13936, dated 14 July 2020. Specifically, goods produced in Hong Kong that are entered or withdrawn from warehouse for consumption into the US after 25 September 2020 must be marked with a country of origin of China.

CBP further noted that 19 U.S.C. § 1304 provides for a 10 percent marking duty levy if an importer fails to mark an article in accordance with CBP requirements.

In follow up to this general notice, on 12 August 2020, CBP published on its website a set of frequently asked questions (“FAQs”) providing further guidance on the change in marking requirements. The FAQs clarify that:

- Hong Kong goods should continue to be reported as country of origin Hong Kong on entry documentation, although marked country of origin China, and

- Applicable duties will continue to be based on Hong Kong origin.

Finally, the FAQs provide instructions on how companies can correct markings on goods after 25 September 2020 through using a foreign trade zone.

How we can help

Deloitte's Global Trade Advisory specialists are part of a global network of professionals who can provide specialized assistance to companies in global trade matters. Our professionals can help companies seeking to manage the impacts and potential impacts of the developments described above by:

- Evaluating the impacts of forthcoming changes to US imports;
- Conducting country of origin determinations and marking assessments; and
- Providing guidance on navigating the rules for country of origin marking and reporting.

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