



*Wild, Natural & Sustainable®*

September 5, 2018

The Honorable Robert E. Lighthizer  
U.S. Trade Representative  
Office of the U.S. Trade Representative Executive Office of the President  
600 17th Street, NW  
Washington, D.C. 20006

RE: Request for Comments Concerning Proposed Modification of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, Docket Number USTR-2018-0026

Dear Ambassador Lighthizer,

The Alaska Seafood Marketing Institute (ASMI) represents the 56,800 fishermen, processors and others employed by the Alaska seafood industry. Alaska harvests 5 to 6 billion pounds of seafood annually, which accounts for over 60 percent the total U.S. seafood harvest and the vast majority of U.S. exports. We respectfully ask that the U.S. Trade Representative (USTR) remove seafood imports that include Alaska species from the proposed modification of USTR initial action in the Section 301, of an additional 10-25 percent *ad valorem* duty on products of China.

A number of the products identified in the proposed modification are U.S. seafood products, wild-caught in U.S. waters by U.S. fishermen. China's reprocessing sector is critical to the overall health of the Alaska industry because it provides a diverse and extensive processing base. We rely on this component of operations to remain price competitive in the global and U.S. market, where Alaska seafood is already an expensive alternative to imported species.

As a global industry, Alaska Seafood relies on open and diverse markets, and ultimately, the Alaska seafood industry favors free and fair trade. We encourage the U.S. Government to work towards minimizing tariffs on U.S. seafood products in key global markets, including China, and we urge the U.S. Government to make rapid progress towards reducing tariffs and increasing market access for wild Alaska seafood products world-wide.

We recognize China is not currently a free and fair market and support the U.S. Government's intent to level the playing field between the U.S. and China by reforming trade terms. Prior to the June 6<sup>th</sup> tariff announcement by the USTR and China's retaliatory actions, the Alaska seafood

industry was optimistic about increasingly favorable terms of trade for Alaska seafood products. China had made steady progress towards trade parity on seafood, taking steps to reduce the tariff imbalance for seafood products between the two countries. On June 1, 2018 the Chinese Ministry for Finance announced a tariff cut for more than 200 seafood import items including frozen pollock, cod fillets, sockeye salmon and halibut, all products of Alaska.

However, as the U.S. and China propose and implement additional tariffs on the opposing countries' products, U.S. seafood companies are instead facing a potentially steeper imbalance and higher tariffs on both sides of the U.S.-China trade relationship. Ultimately, the cost of the additional 10 to 25 percent duty on seafood products from China would be felt not by the Chinese, but instead by American companies, Alaska fishermen and U.S. customers. This outcome is inconsistent with the USTR's intention to add cost to products originating in China. The Alaska seafood industry has invested decades of time and resources in establishing safe, productive processing capacity in China, subject to rigorous audits of labor practices. Alaska seafood species that undergo secondary processing in China are subject to strict seafood safety regulations that require 3<sup>rd</sup> party audits to ensure safe processing and handling of Alaska seafood. Further, many Alaska species are certified as sustainable by third party eco-labels. Independent audits of Chinese processing facilities have been conducted at great expense to the Alaska seafood industry to verify chain of custody.

Shifting processing away from China is not feasible. Further, such a shift would not make the Alaska seafood industry more competitive in global markets. With increased tariff costs on our seafood imports, our customers will likely turn to lower cost supply chains and protein sources, which are readily available from foreign competitors.

If the U.S. Government proceeds with tariff increases, we respectfully ask that you exclude the following Alaska seafood items from the additional 10 to 25 percent duty:

HTSUS	PRODUCT DESCRIPTION
302130022	CHUM (DOG) SALMON, FRESH OR CHILLED, EXCEPT FILLETS, LIVERS AND ROES
302130032	PINK (HUMPIE) SALMON, FRESH OR CHILLED, EXCEPT FILLETS, LIVERS AND ROES
302595010	POLLOCK, FRESH OR CHILLED, EXCEPT ALANTIC POLLOCK, EXCEPT FILLETS, LIVERS AND ROES, NESOI
303120022	CHUM (DOG) SALMON (ONCORHYNCHUS KETA), FROZEN, EXCEPT FILLETS, LIVERS AND ROES
303120032	PINK (HUMPIE) SALMON (ONCORHYNCHUS GORBUSCHA), FROZEN, EXCEPT FILLETS, LIVERS AND ROES
303630090	COD (GADUS OGAC, GADUS MACROCEPHALUS), FROZEN, EXCEPT ATLANTIC, FILLETS, LIVERS AND ROES
303670000	ALASKA POLLOCK (THERAGRA CHALCOGRAMMA), FROZEN, EXCLUDING LIVERS, ROES, FILLETS AND OTHER FISH MEAT OF HEADING 0304
304410090	PACIFIC SALMON AND DANUBE SALMON FILLETS, FRESH OR CHILLED
304440015	COD FILLETS, FRESH OR CHILLED, EXCEPT ATLANTIC COD
304440025	POLLOCK FILLETS, FRESH OR CHILLED

304530015	COD MEAT, OTHER THAN FILLETS, FRESH OR CHILLED, EXCEPT ATLANTIC COD
304530025	POLLOCK MEAT, OTHER THAN FILLETS, FRESH OR CHILLED
304711000	COD FILLETS, SKINNED, FROZEN BLOCKS WEIGHING OVER 4.5 KG EACH, TO BE MINCED, GROUND OR CUT INTO PIECES OF UNIFORM WEIGHTS AND DIMENSIONS
304715000	COD (GADUS MORHUA, GADUS OGAC, GADUS MACROCEPHALUS) FILLETS, FROZEN
304751000	ALASKA POLLOCK (THERAGRA CHALCOGRAMMA) FILLETS, SKINNED, FROZEN BLOCKS WEIGHING OVER 4.5 KG EACH, TO BE MINCED, GROUND OR CUT INTO PIECES OF UNIFORM WEIGHTS AND DIMENSIONS
304755000	ALASKA POLLOCK (THERAGRA CHALCOGRAMMA) FILLETS, FROZEN, NESOI
304791010	POLLOCK FILLETS, SKINNED, FROZEN BLOCKS WGT OVER 4.5 KG EA, TO BE MINCED, GROUND OR CUT INTO PIECES OF UNIFORM WEIGHTS AND DIMENSIONS
304811000	PACIFIC, ATLANTIC & DANUBE SALMON FILLETS, SKINNED, FZ, WGT OVER 4.5 KG EACH, TO BE MINCED, GROUND OR CUT TO PIECES OF UNIFORM WEIGHTS AND DIMENSIONS
304815090	SALMONIDAE FILLETS, FROZEN, EXCEPT ATLANTIC SALMON, NESOI
304831015	SOLE FILLETS, SKINNED, FROZEN BLOCKS WEIGHING OVER 4.5 KG EACH, IMPORTED TO BE MINCED, GROUND OR CUT INTO PIECES OF UNIFORM WEIGHTS AND DIMENSIONS
304835090	FLATFISH FILLETS, FROZEN, NESOI
304941005	SURIMI OF ALASKA POLLOCK, FROZEN, IN BULK OR IN IMMEDIATE CONTAINERS WEIGHING WITH THEIR CONTENTS OVER 6.8 KG EACH
304941010	ALASKA POLLOCK MINCED (OTHER THAN SURIMI), FROZEN, IN BULK OR IN IMMEDIATE CONTAINERS WEIGHING WITH THEIR CONTENTS OVER 6.8 KG EACH
304941090	ALASKA POLLOCK MEAT, FROZEN, IN BULK OR IN IMMEDIATE CONTAINERS WEIGHING WITH THEIR CONTENTS OVER 6.8 KG EACH, NOT MINCED
304951010	COD MEAT, MINCED, FROZEN, IN BULK OR IN IMMEDIATE CONTAINERS WEIGHING WITH THEIR CONTENTS OVER 6.8 KG EACH
304951020	COD MEAT, FROZEN, IN BULK OR IN IMMEDIATE CONTAINERS WEIGHING WITH THEIR CONTENTS OVER 6.8 KG EACH, NOT MINCED
304951030	POLLOCK MEAT, FROZEN, IN BULK OR IN IMMEDIATE CONTAINERS WEIGHING WITH THEIR CONTENTS OVER 6.8 KG EACH, NOT MINCED
304991104	SURIMI, FROZEN, IN BULK OR IN IMMEDIATE CONTAINERS WEIGHING WITH THEIR CONTENTS OVER 6.8 KG EACH, EXCEPT ALASKA POLLOCK, NESOI
305204065	FISH LIVERS AND ROES, DRIED, SMOKED, SALTED OR IN BRINE, NESOI
305320010	COD FILLETS, DRIED, SALTED OR IN BRINE, BUT NOT SMOKED
305410000	PACIFIC SALMON (ONCORHYNCHUS SPP.), ATLANTIC SALMON (SALMO SALAR), AND DANUBE SALMON (HUCHO HUCHO), INCLUDING FILLETS,

	SMOKED
305494020	COD, CUSK, HADDOCK, HAKE (UROPHYCIS SPP.) AND POLLOCK, INCLUDING FILLETS, SMOKED
305510000	COD (GADUS MORHUA, GADUS OGAC, GADUS MACROCEPHALUS), DRIED, WHETHER OR NOT SALTED BUT NOT SMOKED
305691022	POLLOCK, WHOLE OR PROCESSED BY REMOVAL OF HEAD, FINS, VISCERA, SCALES, VERTEBRAL COLUMNS OR COMBINATION THEREOF, SALTED NOT DRIED OR
305691042	POLLOCK, SALTED BUT NOT DRIED OR SMOKED; IN BRINE, NESOI
306144009	GOLDEN/BROWN KING CRAB(LITHODES AEQUISPINUS), FROZEN, EXCEPT CRABMEAT
306144015	OTHER KING CRABS, FROZEN, EXCEPT CRABMEAT
306144020	SNOW CRABS, FROZEN, EXCEPT CRABMEAT
306144090	CRABS, FROZEN, EXCEPT CRABMEAT, NESOI
5119100	PRODUCTS OF FISH, CRUSTACEANS, MOLLUSCS OR OTHER AQUATIC INVERTEBRATES NESOI; DEAD ANIMALS OF CHAPTER 1 OR 3, UNFIT FOR HUMAN CONSUMPTION
5119940	ANIMAL PRODUCTS NESOI; DEAD ANIMALS OF CHAPTER 1 OR 3, UNFIT FOR HUMAN CONSUMPTION
1604112020	PINK (HUMPIE) SALMON, WHOLE OR IN PIECES, BUT NOT MINCED, IN OIL, IN AIRTIGHT CONTAINERS
1604114020	PINK (HUMPIE) SALMON, NOT IN OIL, CANNED
1604114040	SALMON, NESOI, NOT IN OIL, CANNED
1604114050	SALMON, WHOLE OR IN PIECES, BUT NOT MINCED, NESOI
1604191000	BONITO, YELLOWTAIL AND POLLOCK, NOT IN OIL, IN AIRTIGHT CONTAINERS
1604192500	BONITO, YELLOWTAIL AND POLLOCK, IN OIL, IN AIRTIGHT CONTAINERS
1604200590	PRODUCTS CONTAINING MEAT OF CRUSTACEANS, MOLLUSCS OR OTHER AQUATIC INVERTEBRATES, NESOI
1605102010	KING CRABMEAT, PREPARED, IN AIRTIGHT CONTAINERS
1605102022	SNOW CRABMEAT, C. OPILIO (SMALL), PREPARED, IN AIRTIGHT CONTAINERS
1605102025	SNOW CRABMEAT, PREPARED, NESOI, IN AIRTIGHT CONTAINERS
1605104002	KING CRABMEAT, PREPARED, FROZEN
1605104005	SNOW CRABMEAT, C. OPILIO (SMALL), PREPARED, FROZEN
1605104010	SNOW CRABMEAT, NESOI, PREPARED, FROZEN

Thank you,



Alexa Tonkovich  
Alaska Seafood Marketing Institute