Hong Kong Origin Changes to Chinese Origin

President Trump issued an executive order ending Hong Kong’s special trade status on July 14. As a result, goods imported from Hong Kong must be marked “Made in China” and will be subject to Section 301 duties, and antidumping and countervailing duties, if the tariff falls under those provisions.

The volume of goods affected by this action is considered to be small, according to Census data. Total volume of goods imported from Hong Kong in 2019 was $4.7 billion. There was a jump in imports this spring, as companies anticipated the change since Beijing discussed tightening its control over the territory. Imports between January and May were $5.3 billion.

The China Foreign Ministry criticized President Trump’s actions, and commented that they will retaliate. China urged the U.S not to enforce the Hong Kong Autonomy Act, and if the U.S. insists on going in the wrong direction, that China will respond resolutely.