

## Scrap Separating/Crushing/Grinding Equipment: Institute of Scrap Recycling Industries Comments on China 301 Tariff List



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The Institute of Scrap Recycling Industries ("ISRI") submitted May 11th comments to the Office of the United States Trade Representative ("Office") in regards to the Administration's review in consideration of imposing tariffs on certain products from China.

The Office is stated to be conducting a Section 301 investigation into China's laws, policies, practices or actions pertaining to innovation and technology development. See Docket No. USTR-2018-0005.

ISRI describes itself as a trade association encompassing 1,300 companies whose members include manufacturers and processors, brokers, and industrial consumers of scrap commodities, including ferrous and nonferrous metals, paper, electronics, rubber, plastics, glass and textiles. However, the organization's membership also includes 400 equipment and service providers for the recycling industries.

ISRI's comments note that the industry utilizes "a number of types of construction and infrastructure equipment to perform a range of recycling processes, including but not limited to sorting, cleaning, grinding, crushing and shredding material into commodities ready for use to manufacture new products." The wear and tear associated with these processes is stated to require periodic replacement and is therefore stated to potentially make up a "large percentage of their operating costs" for small and medium enterprises.

The relevance of the 301 investigation is the fact that significant amounts of such equipment or parts are supplied from China. Up to 85% of the crushing and grinding parts are stated to be sourced from this country. The addition of a 25% import tariff is stated to be potentially harmful to the competitiveness of the United States recycling industry.

Another example referenced are magnets required by mixed metal processors which are made from rare earth elements. ISRI states that the vast majority of such elements are mined in China. As a result, the recycling industry is stated to be dependent upon Chinese sources for the majority of the magnets required in recycling operations.

In summary, the comments request that the following harmonized tariff codes be removed from the list of products being reviewed for a 25% import tariff from China:

84749000...Parts for the machinery of heading 8474

84798955...Electromechanical appliances with self-contained electric motor, trash compactors

84798965...Electromechanical appliances with self-contained electric motor, nesi

84799045...Parts of trash compactors, frame assemblies

84799055...Parts of trash compactors, ram assemblies

84799065...Parts of trash compactors, container assemblies

84799075...Parts of trash compactors, cabinets or cases

84799085...Parts of trash compactors, nesi

85051910...Flexible permanent magnets, other than of metal

85052000...Electromagnetic couplings, clutches and brakes

[A copy of the comments can be downloaded here.](#)