

SECTION 301 PETITION AGAINST CHINA'S ILLEGAL FENTANYL TRADE FACT SHEET

SUMMARY

Facing Fentanyl, a national coalition uniting over 200 fentanyl awareness organizations and thousands of families, filed a petition under Section 301 of the Trade Act of 1974, as amended (“Section 301”), to address the unjustified and unreasonable acts, policies and practices of the People’s Republic of China concerning its production and export of illicit fentanyl that has led to the deaths of hundreds of thousands of Americans and caused severe economic harm to the United States of America, including a significant negative impact on the U.S. gross domestic product.

The Petition lays out stark evidence that the Chinese government—the Chinese Communist Party (“CCP”)—permits and actively encourages the production and export of illicit fentanyl by:

- 1) Providing tax incentives and other financial support to Chinese companies that export fentanyl,
- 2) Impeding U.S. efforts to investigate and prosecute fentanyl manufacturers and exporters, and
- 3) Failing to prohibit Chinese entities, including many state-owned enterprises, through adequate laws and enforcement actions, to halt the export of illicit fentanyl to the United States.

The Chinese government’s support for illicit fentanyl exports has had a devastating impact on the American economy, into the **\$ Trillions**. The U.S. government has a responsibility to do everything in its power to protect the public from this scourge, and the Office of the U.S. Trade Representative (“USTR”), through Section 301 countermeasures, should take effective action to ensure that the Chinese government ends this crisis.

OTHER FACTS

- Illicit fentanyl, designed to be potent and undetectable, is present in 75% of overdose deaths in the United States. Approximately 97% of that illicit fentanyl originates in China. Over 400,000 Americans have died and 200 more die each day. Fentanyl is the leading cause of death for Americans aged 18-45.
- Diplomatic efforts and sanctions to address the fentanyl crisis are laudable, but nothing short of significant countermeasures will incentivize the Chinese government to take meaningful action to halt the manufacture and export of illicit fentanyl, honor its commitments under international law to prohibit the trafficking of illicit fentanyl, and end the targeting of American children and families using this lethal poison.
- To compel the Chinese government to take action, the Petition lists countermeasures that USTR may impose if the government does not alter its acts, policies, and practices with respect to illicit fentanyl trade. Those include tariffs and import bans amounting to \$50 billion, as well as the elimination of the *de minimis* exemption for all Chinese-originating imports, expanded outbound investment restrictions, and Chinese government mandated purchases of U.S. agricultural goods and autos. Should tariff revenue be collected as countermeasures, they should be allocated to U.S. states to help offset their costs associated with combatting fentanyl.

Facing Fentanyl implores the USTR to hold China accountable.