

China Moves Forward with “Phase One” Agreement Commitments



Happy early Valentine's Day. Beginning Feb. 14, China will begin implementing some of its tariff reduction commitments agreed to in the recent “phase one” trade agreement—the same day in which the U.S. is slated to begin our own tariff reductions.

“Beginning Feb. 14, China will cut tariffs on some U.S. goods to 5% from 10%, while levies on some other items will be reduced to 2.5% from 5%.”

“The tariffs were imposed in September and December during a brutal trade fight between the world’s two largest economies.”

With questions about whether China would honor the commitments in the “phase one” agreement, this step is a good sign for manufacturers.

“... The decision to reduce tariffs indicates that the Chinese leadership remains intent on implementing the deal that has helped halt the nearly two-year trade war between the two nations.”

“In a statement accompanying Thursday’s announcement, the Finance Ministry said the decision was intended to ‘alleviate economic and trade frictions and expand economic and trade cooperation’ between the two countries.”

“‘We hope to work with the United States towards the ultimate elimination of all increased tariffs,’ it added.”