



## US China - Phase One - Trade Deal

Today, the United States and China signed the so-called "[Phase One](#)" trade deal. Intended as a first step toward addressing the ongoing U.S.-China trade dispute, the agreement addresses the following areas of U.S.-China trade:

- Chapter 1: Intellectual Property
- Chapter 2: Technology Transfers
- Chapter 3: Trade in Food and Agricultural Products
- Chapter 4: Financial Services
- Chapter 5: Macroeconomic Policies and Exchange Rate Matters and Transparency
- Chapter 6: Expanding Trade
- Chapter 7: Bilateral Evaluation and Dispute Resolution

In terms of the reduction of Section 301 List 4A duties from 15% to 7.5% the agreement is silent. However, the U.S. Trade Representative has indicated that a Federal Register notice will be published shortly and that sometime in the next 30 days or so the List 4A duty rate reduction will take effect. It is not clear at the time of this writing whether the reduction will be prospective only (e.g., mid-February 2020 forward) or retroactive (e.g., the duty reduction will be effective going back to the effective date of List 4A). List 4B duties remain suspended.

With regard to Lists 1, 2 and 3 duties, currently at 25% and currently covering more than half of U.S.-China trade, these duties will remain in place pending achievement of a Phase Two trade deal.

Roll & Harris LLP is continuing to monitor events and will send out future updates as the situation develops.

In the interim, please do not hesitate to contact Michael Roll ([michael.roll@thetradelawfirm.com](mailto:michael.roll@thetradelawfirm.com)) or Brett Harris ([brett.harris@thetradelawfirm.com](mailto:brett.harris@thetradelawfirm.com)) with any questions you may have.