

USA & China successfully sign landmark Phase One Trade Agreement

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The President of US, Mr. Donald Trump has signed a new, fully-enforceable Phase One Trade Agreement with China. The historic agreement will begin to rebalance USA's vital trade partnership with China and benefit both the countries. China has agreed to make significant structural reforms in a wide range of critical areas. The signing of this agreement will be an incredible boost for American businesses, farmers, manufacturers, and innovators.

Key highlights of Phase One Trade Agreement:

- As a part of the new agreement, China has pledged to increase imports of American goods and services by at least USD 200 billion.
- China's increase in United States imports will take place over the next 2 years, and the trajectory is expected to continue even after 2021.
- This increase will make important progress in rebalancing United States-China trade relations.
- China will be making purchases of United States manufactured goods, agriculture, energy, and services under this deal.
- China has agreed to purchase between USD 40 and USD 50 billion in American agricultural goods each year for two years – providing a massive boost to America's hardworking farmers.

Features of Phase One Trade Agreement:

- This agreement will help level the playing field for America's innovators to compete and win.
- The reforms included in the agreement are fully enforceable and include a strong dispute resolution system to ensure effective implementation and enforcement.
- For the first time in any trade agreement, China has agreed to end its practice of forcing foreign companies to transfer their technology to China's companies in order to gain market access.
- China will address numerous longstanding intellectual property concerns in the areas of trade secrets, trademarks, enforcement against pirated and counterfeit goods, and more.
- China has agreed to strong commitments on currency practices regarding currency devaluations and exchange rates.
- The agreement addresses a wide range of trade and investment barriers that have prevented American financial services companies from being able to compete in China.
- The agreement addresses structural barriers that have unfairly limited USA's food and agricultural exports.
- The agreement includes significant commitments by China on accepting USA's agricultural biotechnology products.

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