Tariffs to Remain in Place After China Deal, Trump Says

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President Trump indicated this week that higher tariffs on $250 billion worth of goods imported from China will remain in place for the foreseeable future. The president’s stance could complicate efforts to secure a bilateral trade agreement.

Senior U.S. officials will travel to Beijing next week to continue negotiations on an agreement aimed at resolving issues such as forced technology transfer, intellectual property rights, currency, and agriculture. Chinese officials could follow up with a visit to Washington in early April and presidents Trump and Xi Jinping could meet in late April to conclude a deal.

According to press sources, one of the key issues negotiators have struggled with in recent weeks has been enforcement; i.e., measures the U.S. could take if China does not comply with the commitments it makes in any final agreement. Trump administration officials have indicated a preference for reimposing tariffs in such a case, with no retaliatory tariffs allowed by China.

However, Trump said March 20 that “we’re not talking about removing” the existing tariffs but instead are talking about “leaving them for a substantial period of time … to make sure that … China lives by the deal.” A Washington Post article notes that this approach is not new for Trump, as he has maintained tariffs on steel and aluminum imports from Canada and Mexico even after reaching agreement with them on revisions to NAFTA.

For more information on negotiations with China and the Section 301 tariffs, please contact Nicole Bivens Collinson at (202) 730-4956.

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