



## Ahead of Phase One details, Chinese government lays out 2020 priorities

By David Kaufman and David Cheng

As we await details of the Phase One trade deal between China and the United States announced on the 13th of December, China's Ministry of Commerce (MOFCOM) has presented its priorities for the new year in a recent release. After a major economic policy meeting in Beijing on December 16 and 17, MOFCOM rolled out six major areas of focused effort.

- Continued expansion of the Belt and Road Initiative, which aims to integrate economies along the historic trading routes to China.
- Creation of more pedestrian-friendly shopping areas.
- Increased use of industrial equipment in rural communities and agricultural products in urban areas.
- 3rd China International Import Expo in Shanghai in November 2020.
- Development of free-trade zones and ports.
- Reduction of poverty.

MOFCOM did also address the need to deal with U.S./China trade friction and encourage additional foreign investment in China; however, the recently announced trade deal was not mentioned specifically.

The Office of U.S. Trade Representative (USTR) released the contours of the agreement in a fact sheet. The fact sheet announces that “the United States and China have reached an historic and enforceable agreement on a Phase One trade deal that requires structural reforms and other changes to China's economic and trade regime” and suggests that there are seven chapters:

- Intellectual Property
- Technology Transfer
- Agriculture
- Financial Services
- Currency

- Expanding Trade
- Dispute Resolution

No specific details of the plans were released. In describing the Intellectual Property section, for example, the U.S. government states, “The Intellectual Property (IP) chapter addresses numerous longstanding concerns in the areas of trade secrets, pharmaceutical-related intellectual property, geographical indications, trademarks, and enforcement against pirated and counterfeit goods.” The full text of the agreement is expected to be released before its signing, which is planned for “early January,” according to USTR.

For more information on the content of this alert, please contact your Nixon Peabody attorney or:

- David A. Kaufman at [dkaufman@nixonpeabody.com](mailto:dkaufman@nixonpeabody.com) or 415-984-8241
- David K. Cheng at [dcheng@nixonpeabody.com](mailto:dcheng@nixonpeabody.com), 650-387-3948 or +852 2171 6212