

Tariffs Update - China Deal

President Trump has announced a **90-day pause** on all reciprocal tariffs on **China**, effective immediately. This pause is meant to provide the time needed to negotiate a new deal and comes after recent conversations between U.S. officials and China on existing trade barriers.

As part of the pause, tariffs on China have been reduced to **30 percent**, reflecting the combination of the 10 percent baseline tariff now applied to most countries, plus an additional 20 percent penalty on China already in place relating China's failure to address their role in the fentanyl trafficking.

This temporary shift comes on the heels of the broader "Liberation Day" policy, which imposed a ten percent reciprocal tariff on nearly all imports. What that policy remains in place for most countries, Canada and Mexico continue to operate under the USMCA framework and are exempt.

We do note that the existing exemptions from the original Executive Order are still intact, including on copper and certain critical minerals, thanks to our collective advocacy efforts, in partnership with industry allies, to protect materials essential to our work and supply chains.

NECA Next Steps:

In order to effectively advocate for our industry, the Government Affairs team is currently seeking input on potential and current tariff impacts. There is currently no formal exemption or exclusion procedure in place at USTR, nor has there been indications there will be one. This is intended to provide our team with a ready-to-go list in the event a formal process is announced, as well as to provide the Administration with information on impacts to our members.

If you have specific materials or products you would like us to consider, please contact us at necagovtaffairs@necanet.org with the following information:

- Product or material name
- Harmonized Tariff Schedule Code (Schedule B number), if applicable or known
- · Country of origin
- Any relevant details or context that would support our advocacy efforts on your behalf
- The impact the current tariff on this product has on your business, employees, customer relations, or ability to operate effectively.

Your input is greatly appreciated and will help us effectively represent your interests.

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