

BGR TARIFF UPDATE – October 30, 2025

U.S.-China Trade Truce Extended for One Year: On October 30, President Donald Trump met with Chinese President Xi Jinping on the sidelines of the APEC Leaders' Summit, where the two discussed trade tensions, agreeing to take a series of moves to lessen friction and extending the 'trade truce' for one year. President Trump hailed the meeting as "truly great," rating the talks "12 out of 10" on Air Force One. Speaking to reporters following the meeting, President Trump stated, "We have a deal — now, every year, we'll renegotiate the deal," noting his plan for this truce to "be very routinely extended."

Key deliverables included:

- **Tariff reductions:** The U.S. will cut its special "fentanyl" tariffs by half (to 10%). When combined with the 'baseline' global tariff rate (10%), and previously existing 301 tariffs, the effective tariff rate on most imports from China is now around 47%.
- **Fentanyl and drug enforcement:** China agreed to work "very hard to stop the flow" of fentanyl and its precursors into the U.S.
- **Agricultural purchases:** Beijing will sharply boost U.S. farm imports. U.S. Treasury Secretary Scott Bessent says China has agreed to buy 12 million metric tons of U.S. soybeans in 2025, rising to 25 million tons per year for the next three years. Trump noted that China will also resume sorghum and other purchases of U.S. commodities.
- **Rare earths and critical minerals:** China will temporarily suspend its new rare-earth export controls for one year. Separately, China and the U.S. agreed to coordinate on critical minerals supply chains, reducing reliance on China's dominance of these minerals.
- **Energy and industrial goods:** China will begin buying significant amounts of U.S. energy (oil and liquefied natural gas) again.
- **Technology issues:** Both sides agreed to work "to resolve issues" around TikTok and other national-security trade frictions. The U.S. also agreed to pause implementation of the Bureau of Industry and Security's new rule to expand Entity List export control restrictions to subsidiaries of Entity List designees. That rulemaking process helped to prompt the rapid increase in tensions over the past few weeks.
- **Other tensions eased:** The truce also calls for halting recent tit-for-tat measures, such as pausing a new round of retaliatory shipping port fees
- **Agreements to meet:** Trump noted his plans to visit Xi in China in April of 2026, and hosting Xi in the U.S. later that year.

Korea Visit Overview: President Trump secured a series of multi-billion-dollar commercial and investment commitments aimed at bolstering U.S. manufacturing, energy, and technology supply-chains. Among the highlights: Korean Air committed to purchasing 103 new Boeing aircraft (valued in the tens of billions) which support hundreds of thousands of U.S. jobs; LS Group pledged approximately US\$3 billion toward U.S.

power-grid infrastructure by 2030; and HD Hyundai and Cerberus Capital Management announced a joint US\$5 billion initiative to modernize U.S. shipyards, supply-chains, and digitalized production.

Japan Visit Overview: Prior to arriving in Korea, President Trump met Japan's new Prime Minister Sanae Takaichi to [bolster](#) economic ties. They signed a U.S.–Japan framework on rare earths and critical minerals, aiming to diversify supply chains away from China, and announced further details on the investment plan, including commitments in advanced manufacturing, clean energy, and supply-chain resilience designed to reduce U.S. dependence on rival powers. Highlights include, over \$300 billion in critical energy infrastructure, up to \$3 billion in critical minerals, commitments to cooperate on shipbuilding, and commitments to upgrade U.S. ports and other infrastructure.

Recap: Trump Signs Series of Agreements with Southeast Asian Nations: As part of the President's Southeast Asian travel in the leadup to the APEC Leaders Summit, the President visited Malaysia for a series of diplomatic engagements, including brokering peace accords between Thailand and Cambodia, enhancing the U.S.-Malaysia relationship through purchase commitments and a new memorandum of understanding on critical mineral partnerships, deepening U.S.-Cambodia cooperation on defense and transnational crime, and making a series of trade agreements and frameworks.

President Trump signed "Agreements on Reciprocal Trade" with Malaysia and Cambodia, and the United States announced frameworks for trade negotiations with Thailand and Vietnam. Unlike in the previous deals with Korea, Japan, and the EU, these agreements or frameworks do not place a 'cap' on Section 232 sectoral tariffs at the country-specific rate. Products from these four nations will continue to face either the country-specific rate, or the Sectoral 232 rate, depending on product type.

Malaysia Trade Agreement

Under the deal, [Malaysia](#) agreed to "eliminate or reduce tariffs on nearly all U.S. exports" and address a range of non-tariff barriers. In return, the U.S. will maintain a 19% reciprocal tariff on most Malaysian imports. Malaysia, and all other deals from this weekend, committed to accept U.S. regulatory standards in key sectors – for example, it will accept U.S. vehicle safety and emissions standards and U.S. Food and Drug Administration approvals for drugs and medical devices, streamline import licensing (especially for steel and pipe products), and remove restrictions on remanufactured goods.

Additional provisions cover agricultural market access, like recognizing U.S. food safety and halal certifications, digital trade, intellectual property, labor, and environmental protections, and measures to constrain anti-competitive behavior by state-owned enterprises.

- **U.S. tariff rate:** 19% on imports from Malaysia (some products at 0%).
- **Foreign commitments:** Malaysia will grant broad preferential access for U.S. products and eliminate or reduce its own tariffs, while addressing non-tariff barriers, including accepting U.S. vehicle safety/emissions standards, FDA approvals for medical products, streamlined steel import licenses, and lifting restrictions on remanufactured goods. Malaysia also pledged to open agricultural markets, recognizing U.S. food safety and halal certifications, and agreed to strengthen protections for U.S. IP.

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- **U.S.-Malaysia MOU:** The United States and Malaysia signed a [Memorandum of Understanding](#) (MOU) to expand cooperation across the critical minerals supply chain with the goal of improving economic and resource security for both nations. The MOU is intended to strengthen Malaysia's integration into secure and reliable global supply chains, promote U.S. investment in Malaysian critical minerals assets, and facilitate technology transfer and joint development of innovative capabilities. The MOU establishes quarterly government-to-government engagements, enables cooperation with private-sector and academic stakeholders, and allows each side to independently determine suitability of investment projects.
 - In action separate from the trade agreement, Malaysia also agreed to a series of deals, including: purchasing up to \$3.4 billion annually in U.S. LNG through multi-year agreements with Petronas in Malaysia; \$42.6 million annually in U.S. coal sales to TNB Fuel in Malaysia and purchases of U.S. telecommunication products and services valued at \$119 million; Purchase of 30 Boeing aircraft plus a purchase option for 30 additional aircraft; and Purchases of U.S. semiconductors, aerospace components, and data center equipment with an estimated value of \$150 billion.

Cambodia Trade Agreement

Under the deal, [Cambodia](#) committed to eliminate tariffs on 100% of U.S. exports, creating “commercially meaningful market access” for American businesses. In turn, the U.S. will maintain a 19% tariff on most Cambodian imports. Cambodia has similarly agreed to reduce non-tariff barriers by streamlining and reducing import licensing and regulatory requirements, and by accepting U.S. standards.

The agreement further includes commitments on digital trade, including a moratorium on customs duties for e-transmissions and free data flows, enforcement of intellectual property rights, labor, and environmental standards, and steps to address distortions from state-owned enterprises.

- **U.S. tariff rate:** 19% on imports from Cambodia (some products at 0%).
- **Foreign commitments:** Cambodia will remove tariffs on all U.S. goods and overhaul its import regime. It agreed to streamline licensing, accept U.S. vehicle safety/emissions standards, and recognize U.S. FDA approvals for medical goods. Cambodia also committed to recognize U.S. regulatory certificates for agricultural exports and eliminate other non-tariff barriers to U.S. foods, and to implement broad digital trade and IP reforms.

Thailand Trade Framework

Under this framework, [Thailand](#) will eliminate tariffs on about 99% of goods (covering nearly all U.S. industrial and agricultural exports), while the United States will keep a 19% tariff on Thai imports. Thailand has also similarly committed to cut non-tariff barriers that impede U.S. exports. Thailand has also agreed to reform its customs procedures and expedite U.S. agricultural exports, including by promptly certifying U.S. meat and poultry for import.

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Both countries agreed to finalize commitments on digital trade and IP, with Thailand pledging no digital services taxes and free cross-border data flows. The framework process will continue to address remaining issues in agriculture, investment, labor, and the environment as part of the eventual formal agreement.

- **U.S. tariff rate:** 19% on imports from Thailand (some products at 0%).
- **Foreign commitments:** Thailand will remove tariffs on ~99% of U.S. exports and agreed to dismantle key non-tariff barriers. Specifically, it will accept U.S. vehicle safety and emissions standards, recognize U.S. FDA approvals for medical goods, issue fuel ethanol import permits, reform customs laws (ending reward systems on penalties), and expedite U.S. food and agricultural shipments (e.g. certifying U.S. meat and poultry). Thailand also agreed to modern digital trade rules (no digital services taxes, free data transfers) and to strengthen IP protections.

Vietnam Trade Framework

Under this framework, [Vietnam](#) will give U.S. exporters preferential access by “removing tariffs on almost all goods, including food and agricultural products,” enabling wide U.S. market entry. The U.S. will maintain a 20% tariff on most Vietnamese imports.

Vietnam also pledged to cut non-tariff barriers: it will accept U.S. vehicles built to U.S. standards, allow imports of U.S. remanufactured goods, expedite approvals for U.S. medical devices and pharmaceuticals, and fully implement key international IP treaties. On agriculture, Vietnam will continue to accept U.S. regulatory certificates, ensuring U.S. meat, poultry, and specialty cheeses can enter. Vietnam further committed to modern digital trade rules, including committing to no duties on electronic transmissions, and no data localization, and agreed to cooperate on supply-chain security and aligning export controls.

- **U.S. tariff rate:** 20% on imports from Vietnam (some products at 0%).
- **Foreign commitments:** Vietnam will remove tariffs on virtually all U.S. exports and agreed to tackle many non-tariff barriers. It will accept U.S. vehicle safety/emissions standards and allow U.S. remanufactured goods, speed U.S. FDA device and drug approvals, and implement international IP protections. Vietnam will also accept U.S. sanitary/phytosanitary certificates for food/agriculture and maintain access for U.S. agricultural products, and has pledged modern digital trade rules and export-control cooperation.