

China will cut import tariffs on goods from India and certain Asia-Pacific countries, starting from July 1, China's central cabinet announced on Tuesday.

China will reduce tariffs on soybean imported from India, South Korea, Bangladesh, Laos, and Sri Lanka from the current three per cent to zero, official media quoted the decision by State Council, China's central cabinet.

Imported products such as chemicals, agricultural products, medical supplies, clothing, steel and aluminium products from these countries will also enjoy certain tariff reductions, the state-run China Daily website reported.

All imported products from the above five countries will adapt a tariff rate of the Second Amendment of The Asia-Pacific Trade Agreement, the State Council said.

The State Council's announcement came amidst tariff spat between world's two largest economies, China and the US, following pressure by US President Donald Trump to cut down \$375 billion deficit in the bilateral trade.

For its part, India has been pressuring China to open up more for Indian products, especially IT and Pharmaceutical, to reduce \$51 billion in over \$84 billion trade.

During the India-China strategic dialogue held here in April, Vice Chairman of NITI Aayog (National Institution for Transforming India) [Rajiv Kumar](#) had pitched for export of soybean and sugar to China from India.

After the Wuhan informal summit between Prime Minister [Narendra Modi](#) and Chinese President Xi Jinping, both the countries are holding talks to step up Indian exports of agricultural products like rice and sugar as well as pharmaceutical, especially cancer curing drugs to China.

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