

CHINA'S TRANSITIONAL REVIEW MECHANISM¹

Questions from the UNITED STATES to CHINA²

The following communication, dated 8 September 2004, is being circulated at the request of the Delegation of the United States.

AQSIQ Licensing for Inspection of Imports

1. The United States submitted questions to China in connection with the transitional review before the Committee on Agriculture scheduled for 23 September 2004, relating to matters covered by both Article 4 of the Agreement on Agriculture and various articles of the Agreement on Import Licensing Procedures, including State General Administration of Quality Supervision and Inspection and Quarantine (AQSIQ) licensing for inspection of imports. At this time, the United States has the following additional questions for China relating to the import process under AQSIQ Decree No. 25, *Administrative Measures for Entry Animal and Plant Quarantine* (effective 1 September 2002), as modified by AQSIQ Decree No. 73, *Items on Handling the Review and Approval for Entry Animal and Plant Quarantine* (effective 1 July 2004), pursuant to which importers are required to obtain quarantine permits for a wide range of animal and plant products.

- (a) What steps is China taking to ensure that the import process under Decree No. 25, as modified by Decree No. 73, is conducted in a fair and equitable manner, as required by Article 1.3 of the Agreement on Import Licensing Procedures?
- (b) What steps is China taking to comply with Article 2.2 of the Agreement on Import Licensing Procedures and ensure that its administration of the import process under Decree No. 25, as modified by Decree No. 73, is not having trade restricting effects?

Entities Responsible for Authorization or Approval of Imports

2. In G/LIC/Q/CHN/8, the United States asked China whether the list of all entities responsible for the authorization or approval of imports had been updated and published in the MOFCOM Gazette, as required by paragraph 132 of the Working Party Report accompanying China's Protocol of Accession. In G/LIC/Q/CHN/10, China responded that "[t]he list of entities responsible for the authorization or approval of imports can be found in [the] MOFCOM Gazette." Please provide citations to the dates of publication and issue numbers of the MOFCOM Gazette for the list in question as well as for any updates to that list.

¹ Pursuant to Paragraph 18 of the Protocol on the Accession of the People's Republic of China (WT/L/432).

² See Understanding on Procedures for the Review of Notifications (G/LIC/4).

Buying, Selling and Transferring of Import Licences

3. In response to a question from the United States in G/LIC/Q/CHN/8, China confirmed in G/LIC/Q/CHN/10 that the buying, selling and transferring of import licences between non-affiliated entities is illegal in China. Please identify the laws, regulations or measures that make these activities illegal in China.
