

**TRANSITIONAL REVIEW UNDER ARTICLE 18 OF THE PROTOCOL OF
ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA**

Information Required in Annex 1A

Communication from the People's Republic of China

The following communication, dated 14 October 2005, has been received from the delegation of the People's Republic of China.

A. THE USE OF VALUATION METHODS, OTHER THAN THE STATED TRANSACTION VALUE

I. Valuation Legislation

1. After the promulgation of *the Regulations on Import and Export Tariff of the People's Republic of China*, the customs valuation regime of China is completely consistent with the principles and procedures set forth in the Agreement on Customs Valuation.

II. Implementation

2. Since its accession, China has been fulfilling its commitments in a faithful manner and abided by the Agreements strictly. 96% of the customs value was determined by applying transaction value in the period from 2004 to August of 2005. In the cases where the declared value cannot be accepted as customs value, China customs appraising officers determine the customs value strictly in accordance with the principles and provisions set forth in the Agreement.
