

**TRANSITIONAL REVIEW UNDER ARTICLE 18 OF THE PROTOCOL
OF ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA
INFORMATION REQUIRED IN ANNEX 1A**

The following communication, dated 28 October 2009, has been received from the delegation of China.

II. ECONOMIC POLICIES

2.1 Non-Discrimination

- (a) **The repeal and cessation of all WTO inconsistent laws, regulations and other measures on national treatment.**

There have been no changes since last submission.

- (b) **The repeal or modification to provide full GATT national treatment in respect of laws, regulations and other measures applying to internal sale, offering for sale, purchase, transportation, distribution or use of: after sale service, pharmaceutical products, cigarettes, spirits, chemicals and boiler and pressure vessels (for pharmaceutical products, chemicals and spirits there is a reservation of the right to use a transitional period of one year from the date of accession in order to amend or repeal relevant legislation)**

There have been no changes since last submission.

IV. POLICIES AFFECTING TRADE IN GOODS

4.5 Export Restrictions

- (a) **Any restrictions on exports through non-automatic licensing or other means justified by specific product under the WTO Agreement or the Protocol.**

Information on export administration that China provides here is for transparency purpose only and shall not be deemed as to mean that the measures covered necessarily fall into the scope of export restriction as defined in the WTO.

China maintains export administration on a small number of products for the purposes of protecting public interest, conserving the exhaustible natural resources, or undertaking obligations under international treaties, etc. This is in conformity to Article XX of GATT1994.

On non-tariff measures of the export administration, please refer to China's 2009 notification on non-tariff measures to the Committee on Market Access pursuant to G/L/59. The notification contains detailed information on non-tariff export administration measures, including, if applicable, export quota quantity.

Regarding tariffs, China maintained export tariffs on 373 8-digit HS headings of products on 1 January 2009.

4.9 State Trading Entities

- (a) **Progressive abolishment of state trading in respect of silk measures, increasing and extending trading rights, granting the right to trade to all individuals no later than 1 January 2005.**

There have been no changes since last submission.

- (b) **Access to supplies of raw materials in the textiles sector at conditions no less favourable than for domestic users, and not adversely affected access to supplies of raw materials as enjoyed under existing arrangements.**

There have been no changes since last submission.

- (c) **Progressive increases in access by non state trading entities to trade in fertilizer and oil and the filling of quantities available for import by non state trading entities.**

There have been no changes since last submission. Compared with the situation at the time of China's accession, non-state trading enterprises for importation of crude oil, processed oil and chemical fertilizers has increased substantially in number.

From 2003 to 2009, the quantities permitted for importation of crude oil by non-state trading enterprise was respectively 9,520,000 tons, 10,950,000 tons, 12,600,000 tons, 14,500,000 tons, 16,680,000 tons, 19,150,000 tons and 22,000,000 tons. The quantities permitted for importation of processed oil by non-state trading enterprise was respectively 5,300,000 tons, 6,100,000 tons, 7,000,000 tons, 8,050,000 tons, 9,260,000 tons, 10,650,000 tons and 11,250,000 tons.

2006 was the end year of the committed increase in tariff rate quota (TRQ) quantity for chemical fertilizer import by non state-trading enterprises. Therefore, TRQ quantities for chemical fertilizer import by non state-trading enterprises in 2006 and 2008 are the same.

From 2003 to 2009, the quantities permitted for importation of crude oil, processed oil and chemical fertilizers by non-state trading enterprises were fully allocated. Please also refer to China's forthcoming notification on answer to the state-trading questionnaire to be submitted shortly to the Working Group on State-Trading Enterprises.

4.10 Government Procurement

- (a) **Laws, regulations and procedures**

Regarding government procurement, China has initiated negotiation on accession into the Government *Procurement Agreement* (GPA). The application for accession into the GPA and Appendix I offer were submitted on 28 December 2007. In September 2008, China submitted Replies to the Checklist of Issues for Provision of Information Relating to Accession to the

GPA. Up till now five rounds of negotiation on China's accession to the GPA have been held, and China has received initial requests from seven Members, namely the United States, the EC, Japan, Canada, Korea, Switzerland and Norway. The major legislation regarding government procurement in China is the *Law of the People's Republic of China on Government Procurement* which took effect on 1 January 2003. In this respect there have been no changes since last submission.

(b) Procurement in a transparent manner and application

To ensure transparency in government procurement, information on laws, regulations and administrative measures relating to government procurement, procurement opportunities, results of the contract award and advance examination on qualification of suppliers etc would all be published in the designated government procurement website of China (www.ccgp.gov.cn), *China Financial and Economic News* and *China Government Procurement* magazine. All the procurement projects open to foreign suppliers are required to be implemented through tendering to provide foreign suppliers with equal opportunities. In the process of drafting relevant regulations, rules and administrative measures, public opinions and comments on the drafts are also to be solicited.
