

CHINA'S TRANSITIONAL REVIEW MECHANISM

Questions to China from the United States in the context of the Transitional Review Mechanism under Paragraph 18 of the Protocol of Accession of the People's Republic of China

The following communication, dated 29 October 2002, has been received from the Permanent Mission of the United States, with the request that it be circulated to Members, for the purposes of the Transitional Review to take place at the Committee's meeting on 7-8 November 2002.

Questions related to quarantine inspection permits

The United States seeks confirmation of and additional information on the procedures and requirements that the State General Administration of Quality Supervision and Inspection and Quarantine (AQSIQ) is applying in connection with quarantine inspection permits. We are chiefly concerned that these procedures and requirements do not have a scientific basis, require non-SPS or quarantine related information and that the two-tiered (local- and national-level) approval system is time consuming and more restrictive than necessary.

1. Please explain AQSIQ's procedures for issuance of import inspection permits.
2. Has China notified these procedures to the WTO?
3. We understand that an importer must apply for and obtain a quarantine inspection permit in advance of importation, and before even signing an import contract. We are concerned that AQSIQ's procedures are not being applied only to the extent necessary to protect human, animal or plant life, as required by the SPS Agreement.
 - (a) Please explain the purpose of the requirement that an importer obtain an inspection permit in advance of importation.
 - (b) Why is it necessary for an importer to obtain a quarantine inspection permit before signing an import contract?
 - (c) Will China consider less trade-restrictive means to achieve its stated purpose?
4. Is there a limit placed on access to inspection permits or the amount of product covered by any one permit for products such as meat and poultry?

5. In the light of documentation and procedural requirements that impose time limits for permit issuance, duration of validity, multiple level approvals and the requirement for commercial-related information, please explain the following:
 - (a) why the period of validity for permits is relatively short.
 - (b) the rational for a two-tiered (local and national) approval process.
 - (c) the rational for requiring commercial-related information in application (such as post-entry processing factory, location, transportation and handling methods, etc.)
6. How does AQSIQ handle shipments arriving outside the validity of the permit?

Questions Related to Raw Meat and Poultry Standards:

AQSIQ has been using inappropriate zero-tolerance standards for bacteria on imported raw meat products. This has led to disruption of trade and delisting of four US plants because products from these establishments tested positive for *Listeria*, *E. coli*, or *Salmonella*. US technical experts believe that these pathogens are ubiquitous and that a zero-tolerance for microorganisms on raw meat and poultry is unreasonable.

7. What is the scientific rationale behind these restrictive standards?
8. How does China plan to modify its application of these standards to avoid trade disruptions?

Questions related to Transparency and Requests for Pest Risk Assessment:

Article 3 of the Agreement on the Application Sanitary and Phytosanitary Measures (SPS Agreement) states that members shall ensure that their sanitary or phytosanitary measures are based on an assessment, as appropriate to the circumstances, of the risks to human, animal or plant life or health, taking into account risk assessment techniques developed by the relevant international organizations. Furthermore, Article 7 of the SPS Agreement states that members shall notify changes in their sanitary or phytosanitary measures and shall provide information on their sanitary or phytosanitary measures in accordance with the provisions of Annex B.9.

9. We seek confirmation of and additional information on the procedures and requirements that the State General Administration of Quality Supervision and Inspection and Quarantine (AQSIQ) is applying in connection with AQSIQ requests for pest risk assessments.
10. Please explain AQSIQ's procedures for conducting pest risk assessments.
11. Please explain AQSIQ's request for a pest risk assessment to authorize shipment of US-origin fresh citrus from four additional Florida counties (Charlotte, Orange, Pasco, and Polk) to China.

Questions Related to Harmonization and International Standards:

Article 5 of the SPS Agreement states that members shall harmonize sanitary and phytosanitary measures on as wide a basis as possible. Members shall base their sanitary or phytosanitary measures on international standards, guidelines or recommendations, where they exist, except as otherwise provided for in this Agreement.

12. We seek confirmation of and additional information on the procedures and requirements that AQSIQ is applying in connection with AQSIQ adoption of international standards.
- (a) Please explain AQSIQ's procedures for adopting international standards.
 - (b) Now that the International Standard for Phytosanitary Measures Standard 15 (ISPM 15), Guidelines for Regulating Wood Packaging Material in International Trade will soon be finalized, will it be possible for US-origin conifer (softwood) solid wood packing material (SWPM) to enter China without an APHIS-issued heat treatment certificate?
 - (c) Please explain AQSIQ's procedures for allowing inspection and/or fumigation in China of foreign-origin logs from areas in third countries that do not have the practical capability to meet treatment standards. Additionally, China allows Russian-origin logs to be imported from northeast Siberia and does not require treatment as a condition of entry. Will either of these standards be applied to US-origin logs from Alaska?
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