

## ANNEX 1A

### INFORMATION<sup>1</sup> TO BE PROVIDED BY CHINA IN THE CONTEXT OF THE TRANSITIONAL REVIEW MECHANISM

China is requested to provide information on the following in accordance with Article 18.1 of the Protocol of Accession. The requested information should be provided annually, except in those cases where China and the Members agree that it is no longer required for the review.

#### I. ECONOMIC DATA

- (a) most recently available import and export statistics by value and volume, by supplier country at the HS 8-digit level
- (b) current account data on services, by source and destination in line with the statistical requirements of the IMF
- (c) capital account data for inward- and outward-realized foreign direct investment by source and destination in line with the statistical requirements of the IMF
- (d) the value of tariff revenues, non-tariff taxes, and other border charges levied exclusively on imports by product or at the highest level of detail possible, but at least by HS heading (4-digit) at the beginning of the review mechanism
- (e) the value of export duties/taxes by product
- (f) the volume of trade subject to tariff exemptions by product or at the highest level of detail possible, but at least by HS heading (4-digit) at the beginning of the review mechanism
- (g) the value of commissions, mark ups and other fees charged on imports subject to state trading or designated trading imposed through government regulation or guidance, if any
- (h) the shares of imports and exports accounted for by the trading activities of state-owned enterprises
- (i) annual economic development programmes, China's five-year programmes and any

---

<sup>1</sup> This "information" refers to information other than that required by the general notification requirements for WTO Members. To avoid duplication, it is understood that Members will accept information provided on an annual basis by China to other WTO bodies as satisfying the information requirements in Annex 1.

industrial or sectoral programmes or policies (including programmes relating to investment, export, import, productions, pricing or other targets, if any) promulgated by central and sub-central government entities

- (j) annual receipts under the Value-Added Tax (VAT), with separate information for imports and domestic products as well as information on VAT rebates

## **II. ECONOMIC POLICIES**

### **1. Non-Discrimination (to be notified to the Council for Trade in Goods)**

- (a) the repeal and cessation of all WTO inconsistent laws, regulations and other measures on national treatment
- (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 sales 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)

### **2. Foreign Exchange and Payments (to be notified to the Committee on Balance-of-Payments Restrictions)**

- (a) exchange measures as required under Article VIII, Section 5 of the IMF's Articles of Agreement and such other information on China's exchange measures as was deemed necessary in the context of the transitional review mechanism

### **3. Investment Regime (to be notified to the Committee on Trade-Related Investment Measures)**

- (a) completed revisions to investment guidelines in conformity with the WTO Agreement

### **4. Pricing Policies (to be notified to the Committee on Subsidies and Countervailing Measures)**

- (a) application of existing or any other price controls and the reason for their use
- (b) pricing mechanisms of China's state trading enterprises for exported products

## **III. FRAMEWORK FOR MAKING AND ENFORCING POLICIES**

### **1. Structure and Powers of the Government/Authority of Sub-Central Governments/Uniform Administration (to be notified to the General Council)**

- (a) revision or enactment of domestic laws, regulations and other measures related to China's commitments under the WTO Agreement and Protocol, including those of local governments at the sub-national level, that have been promulgated since accession or the previous meeting of the relevant body under the Transitional Review Mechanism
- (b) establishment and operation (upon accession) of the mechanism pursuant to Section 2(A), paragraph 4 of the Protocol under which individuals and enterprises can bring cases of non-uniform application of the trade regime to the attention of national authorities

#### **IV. POLICIES AFFECTING TRADE IN GOODS**

##### **1. Tariff Rate Quotas (to be notified to the Committee on Market Access)**

- (a) administration of TRQs on a transparent, predictable, uniform, fair and non-discriminatory basis using clearly specified timeframes, administrative procedures and requirements and evidence of a consistent national allocation (and reallocation) policy including:
  - (i) provision of volume/value of the quota or TRQ made available;
  - (ii) reallocated quota or TRQ applied for;
  - (iii) the volume/value of requests for allocation or reallocation denied;
  - (iv) fill rates for the quota or TRQ;
  - (v) for TRQs, the amount of any goods entered at the over quota rate; and
  - (vi) time taken to grant a quota or TRQ allocation.

##### **2. Non-Tariff Measures including Quantitative Import Restrictions (to be notified to the Committee on Market Access)**

- (a) the introduction, re-introduction or application of any non-tariff measures other than those listed in Annex 3 of the Protocol and elimination of non-tariff measures
- (b) implementation of the schedule for phased elimination of the measures contained in Annex 3
- (c) quota allocation and reallocation in conformity with WTO requirements, including the Agreement on Licensing Procedures following criteria set out in the Report of the Working Party on the Accession of China ("Report ")
- (d) distribution licences, quotas, tariff rate quotas or any other means of approval for importation are not subject to conditions set out in Section 7, paragraph 3 of the Protocol

##### **3. Import Licensing (to be notified to the Committee on Import Licensing)**

- (a) implementation of the provisions of the Agreement on Import Licensing Procedures and the WTO Agreement applying the measures set out in Section 8 of the Protocol including provision of the time taken to grant an import licence

**4. Customs Valuation (to be notified to the Committee on Customs Valuation)**

- (a) the use of valuation methods, other than the stated transaction value

**5. Export Restrictions (to be notified to the Council for Trade in Goods)**

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

**6. Safeguards (to be notified to the Committee on Safeguards)**

- (a) implementation of China's Regulation on Safeguards

**7. Technical Barriers to Trade (to be notified to the Committee on Technical Barriers to Trade)**

- (a) notification of acceptance of the Code of Good Practice not later than four months after China's accession
- (b) periodic review of existing standards of government standardizing bodies and harmonization of the same with relevant international standards where appropriate
- (c) revision of current voluntary national, local and sectoral standards so as to harmonize them with international standards
- (d) use of the terms "technical regulations" and "standards" according to their meaning under the TBT Agreement in China's notifications under the TBT Agreement, including under Article 15.2 thereof and publications referenced therein, and in modifications of existing measures
- (e) review of technical regulations every five years to ensure international standards are used in accordance with Article 2.4 of the Agreement and provision for adoption of international standards as the basis for technical regulation as part of its notification under Article 15.2 of the Agreement
- (f) progress report on increase of the use of international standards as the basis for technical regulations by ten per cent in five years
- (g) provision of procedures to implement Article 2.7 of the Agreement

- (h) provision of a list of relevant local governmental and non-governmental bodies that are authorized to adopt technical regulations or conformity assessment procedures as part of China's notification under Article 15.2 of the Agreement
- (i) ongoing updates on the conformity assessment bodies that are recognized by China
- (j) enactment and implementation of a new law and relevant regulations regarding assessment and control of chemicals for the protection of the environment in which complete national treatment and full consistency with international practices would be ensured within one year after China's accession following conditions set out in 3(t) of the TBT Working Party Report
- (k) information on whether, one year after accession, all conformity assessment bodies and agencies are authorized to undertake conformity assessment for both imported and domestic products and are following the conditions outlined in Section 13, subparagraph 4(a) of the Protocol
- (l) assignment of the respective responsibilities of China's conformity assessment bodies solely on the basis of the scope of work and type of product without any consideration of the origin of a product no later than eighteen months after accession
- (m) notification of the respective responsibilities assigned to China's conformity assessment bodies to the TBT committee 12 months after accession

**8. Trade-Related Investment Measures (to be notified to the Committee on Trade-Related Investment Measures)**

- (a) elimination and cessation of enforcement of trade and foreign exchange balancing requirements, local content and export performance offsets and technology transfer requirements made effective through laws, regulations or other measures
- (b) amendments to ensure lifting of all measures applicable to motor vehicle producers restricting the categories, types or models of vehicles permitted for production (to be completely removed two years after accession)
- (c) increased limits within which investments in motor vehicle manufacturing could be approved at the provincial government at the levels outlined in the Report

**9. State Trading Entities (to be notified to the Council for Trade in Goods)**

- (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

- (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
- (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

**10. Government Procurement (to be notified to the Council for Trade in Goods)**

- (a) laws, regulations and procedures
- (b) procurement in a transparent manner and application of the MFN principle

**V. POLICIES AFFECTING TRADE IN SERVICES (to be notified to the Council for Trade in Services)**

- (a) regularly updated lists of all laws, regulations, administrative guidelines and other measures affecting trade in each service sector or sub-sector indicating, in each case, the service sector(s) or sub-sector(s) they apply to, the date of publication and the date of entry into force
- (b) China's licensing procedures and conditions, if any, between domestic and foreign service suppliers, measures implementing the free choice of partner and list of transport agreements covered by MFN exceptions
- (c) regularly updated lists of the authorities, at all levels of government (including organizations with delegated authority) which are responsible for the adoption, implementation and reception of appeals for laws, regulations, administrative guidelines and other measures affecting trade in services
- (d) independence of the regulatory authorities from the service suppliers
- (e) foreign and domestic suppliers in sectors where specific commitments have been undertaken indicating the state of play of licensing applications on sector and sub-sector levels (accepted, pending, rejected)

**VI. TRADE-RELATED INTELLECTUAL PROPERTY REGIME (to be notified to the Council for Trade-Related Aspects of Intellectual Property Rights)**

- (a) amendments to Copyright, Trademark and Patent Law, as well as relevant implementing rules covering different areas of the TRIPS Agreement bringing all such measures into full compliance with and full application of the TRIPS Agreement and the protection of undisclosed information

- (b) enhanced IPR enforcement efforts through the application of more effective administrative sanctions as described in the Report

**VII. SPECIFIC QUESTIONS IN THE CONTEXT OF THE TRANSITIONAL REVIEW MECHANISM (to be notified to the General Council or relevant subsidiary body)**

- (a) response to specific questions in the context of the transitional review mechanism received from the General Council or a subsidiary body