

**Working Party on the  
Accession of China**

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### **COMMUNICATION FROM CHINA**

In preparation for the Working Party meeting on 13-28 September 2000, the Chinese delegation has submitted the following revised<sup>1</sup> Annex 2a1 on Products Subject to State Trading (Import), dated 8 September 2000.<sup>2</sup>

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**Groupe de travail de  
l'accession de la Chine**

### **COMMUNICATION DE LA CHINE**

En vue de la réunion du Groupe de travail qui aura lieu du 13 au 28 septembre 2000, la délégation chinoise a communiqué la version révisée<sup>1</sup> ci-après de l'annexe 2a1 relative aux produits soumis au régime de commerce d'État (importation), datée du 8 septembre 2000.<sup>2</sup>

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**Grupo de Trabajo sobre la  
Adhesión de China**

### **COMUNICACIÓN DE CHINA**

Para preparar la reunión del Grupo de Trabajo que se celebrará del 13 al 28 de septiembre de 2000, la delegación china ha presentado el siguiente anexo 2a1 revisado<sup>1</sup> sobre productos que son objeto de comercio estatal (importación), de fecha 8 de septiembre de 2000.<sup>2</sup>

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<sup>1</sup> Former version issued in document WT/ACC/CHN/24./L'ancienne version a été distribuée sous la cote WT/ACC/CHN/24./La versión anterior se publicó en el documento WT/ACC/CHN/24.

<sup>2</sup> In English only./En anglais seulement./En inglés solamente.

**ANNEX 2a1**

**PRODUCTS SUBJECT TO STATE TRADING (IMPORT)**  
8 September 2000

PRODUCTS	NO	HS NO	DESCRIPTION OF PRODUCTS	STATE TRADING ENTERPRISES
GRAIN	1	10011000	Durum wheat	China National Cereals, Oil & Foodstuff Import and Export Co.
	2	10019010	Seeds of Spelt, common wheat & meslin	
	3	10019090	Spelt, common wheat & meslin(excl. seed)	
	4	11010000	Wheat or meslin flour	
	5	11031100	Groats & meal of wheat	
	6	11032100	Wheat pellets	
	7	10051000	Maize seeds	
	8	10059000	Maize (excl. seed)	
	9	11022000	Maize (corn) flour	
	10	11031300	Groats & meal of maize (corn)	
	11	11042300	Other worked grains of maize (corn), nes	
	12	10061010	Rice seeds	
	13	10061090	Rice in the husk (paddy or rough)(excl. seed)	
	14	10062000	Husked (brown) rice	
	15	10063000	Semi-milled or wholly milled rice	
	16	10064000	Broken rice	
	17	11023000	Rice flour	
	18	11031400	Groats & meal of rice	
VEGETABLE OIL	19	15071000	Crude soya-bean oil	1. China National Cereals, Oil & Foodstuff Import and Export Co.
	20	15079000	Soya-bean oil (excl. crude) & fractions	2. China National Native Products and Animal By-products Import & Export Co.
	21	15111000	Crude palm oil	3. China Resources Co.
	22	15119000	Palm oil (excl. crude) & liquid fractions	4. China Nam Kwong National Import & Export Co.
	23	15141010	Crude rape, colza oil & fractions thereof	5. China Liangfeng Cereals Import & Export Co.
	24	15149000	Rape, colza or mustard oil (excl. crude) & fractions thereof	6. China Cereals, Oil & Foodstuff Co.(Group)

PRODUCTS	NO	HS NO	DESCRIPTION OF PRODUCTS	STATE TRADING ENTERPRISES
SUGAR	25	17011100	Raw cane sugar, in solid form	1. China National Cereals, Oil & Foodstuff Import and Export Co. 2. China Export Commodities Base Construction Co. 3. China Overseas Trade Co. 4. China Sugar & Wine Co. (Group) 5. China Commerce Foreign Trade Co.
	26	17011200	Raw beet sugar, in solid form	
	27	17019100	Cane or beet sugar, containing added flavouring or colouring	
	28	17019910	Granulated sugar	
	29	17019920	Superfine sugar	
	30	17019990	Other cane or beet sugar, in solid form, nes	
TOBACCO	31	24011010	Flue-cured tobacco, not stemmed/stripped	China National Tobacco Import & Export Co.
	32	24011090	Tobacco other than flue-cured, not stemmed/stripped	
	33	24012010	Flue-cured tobacco, partly or wholly stemmed/stripped	
	34	24012090	Tobacco o/t flue-cured, partly or wholly stemmed/stripped	
	35	24013000	Tobacco refuse	
	36	24021000	Cigars, cheroots & cigarillos containing tobacco	
	37	24022000	Cigarettes containing tobacco	
	38	24029000	Cigars, cigarillos, cigarettes, etc, not containing tobacco	
	39	24031000	Smoking tobacco with or without tobacco substitutes	
	40	24039100	Homogenized or reconstituted tobacco	
	41	24039900	Other manufactured tobacco, nes	
CRUDE OIL	42	27090000	Petroleum oils & oils obtained from bituminous minerals, crude	. China National Chemical Import & Export Co. . China International United Petroleum & Chemicals Co. . China National United Oil Co. . Zhuhai Zhenrong Company
PROCESSED OIL	43	27100011	Gasoline, incl. aviation spirit	
	44	27100013	Naphtha	
	45	27100023	Kerosenes	
	46	27100024	Normal paraffin	
	47	27100031	Light diesel oil	
	48	27100033	Fuel oil No.5-No.7	
	49	27100039	Other fuel oils	

PRODUCTS	NO	HS NO	DESCRIPTION OF PRODUCTS	STATE TRADING ENTERPRISES
CHEMICAL FERTILIZER	50	31021000	Urea	<ul style="list-style-type: none"> <li>China National Chemical Import &amp; Export Co.</li> <li>China National Agricultural Means of Production Group Co.</li> </ul>
	51	31022100	Ammonium sulphate	
	52	31022900	Double salts & mixtures of ammonium sulphate & ammonium nitrate	
	53	31023000	Ammonium nitrate	
	54	31024000	Mixtures of ammonium nitrate with inorg non-fertilizing substances	
	55	31025000	Sodium nitrate	
	56	31026000	Double salts & mixtures of calcium nitrate & ammonium nitrate	
	57	31027000	Calcium cyanamide	
	58	31028000	Mixtures of urea & ammonium nitrate in aqueous or ammoniacal solution	
	59	31029000	Mineral or chemical fertilizers, nitrogenous, nes	
	60	31031000	Superphosphates	
	61	31032000	Basic slag	
	62	31039000	Mineral or chemical fertilizers, phosphatic, nes	
	63	31041000	Carnallite, sylvite & other Crude natural potassium salts	
	64	31042000	Potassium chloride	
	65	31043000	Potassium sulphate	
	66	31049000	Mineral or chemical fertilizers, potassic, nes	
	67	31051000	Fertilizers... in packages of a gross weight=10kg	
	68	31052000	Mineral/chemical fertilizers with nitrogen, phosphorus & potassium	
	69	31053000	Diammonium hydrogenorthophosphate (diammonium phosphate)	
	70	31054000	Ammonium dihydrogenorthophosphate (monoammonium phosphate)	
	71	31055100	Mineral or chemical fertilizers containing nitrates & phosphates	
	72	31055900	Mineral or chemical fertilizers with nitrogen & phosphorus, nes	
	73	31056000	Mineral or chemical fertilizers with phosphorus & potassium, nes	
	74	31059000	Other fertilizers, nes	
COTTON	75	52010000	Cotton, not carded or combed	<ul style="list-style-type: none"> <li>China National Textiles Import &amp; Export Co.</li> <li>Beijing Jiuda Textiles Group Co.</li> <li>Tianjing Textiles Industry Supply and Marketing Co.</li> <li>Shanghai Textiles Raw Materials Co.</li> </ul>
	76	52030000	Cotton, carded or combed	

<b>Product &amp; HS NO</b>	<b>Volume to non-state traders on accession<sup>2)</sup></b>	<b>Annual growth in non-state trade volume<sup>3)</sup></b>
Oil--processed <sup>1)</sup> (HS 27.10)	4 million tonnes	15 %
Oil--crude (HS 27.09)	7.2 million tonnes	15 %

1) Excludes LPG, which falls under HS 27 11, and has not been notified by China as subject to state trading. The present import quota (16.58 million tonnes rising by 15% per year) will be removed on 1 January 2004.

2) Imports to be effected pursuant to the provisions of the WTO Agreement on Import Licensing Procedures.

3) This growth rate shall be applied for a period of 10 years following accession, after which time it shall be reviewed. Pending conclusion of the review talks, the volume available to non-state importers on that date shall be increased annually in line with the average growth in overall imports of the product concerned over the preceding 10 year period.

However, for processed oil, a review shall be carried out by 2004 to establish whether the growth rate should be adjusted in the light of the evolution of trade volumes.

Fertiliser	Initial quota (million tonnes)	Final quota (million tonnes)	Growth Rate (annual)	In-quota tariff	Out-of-quota tariff	Implementation Period	Non-state trading share
Urea 31021000	1.3	3.3	<sup>1/</sup>	4%	50%	Year 6 after accession <sup>3/</sup>	10% <sup>4/</sup>
NPK 31052000	2.7		5% <sup>2/</sup>	4%	50%		10% on accession increasing in equal steps to 49% over 8 years
Diammonium phosphate 31053000	5.4	6.9	5%	4%	50%	Year 6 after accession <sup>3/</sup>	10%-49% <sup>4/</sup> Increasing 5 percentage points per year until reaching 49% in year 9

China shall administer the quotas in the same way as agricultural TRQs, and apply the provisions of Part I Section I-A and I-B of its market access schedule relating to TRQ administration and the right to trade.

<sup>1/</sup> Year 1: 1,300,000 mt  
Year 2: 1,300,000 mt  
Year 3: 1,800,000 mt  
Year 4: 2,300,000 mt  
Year 5: 2,800,000 mt  
Year 6: 3,300,000 mt

<sup>2/</sup> The growth rate will be reviewed not before the end of the 6 year implementation period, following which it may be amended.

<sup>3/</sup> The quota quantities after the end of the implementation period will be the subject of further negotiation. Unless new quota quantities are agreed, the quantities at the end of the implementation period will continue.

<sup>4/</sup> The share of the tariff-quota reserved for importation through state trading enterprises is specified in column 8. The remainder of the tariff-quota quantity is reserved for importation through any non-state trading enterprise processing the right to trade in any product as set forth in Section 5 of China's accession protocol. In any year, if the quantity of the tariff-quota reserved for importation through state trading enterprises has not been contracted for by 1 September, quota-holders will have the right to trade or to import through any entity with the right to trade any product under Section 5 of China's WTO accession protocol. Quota-holders must apply for an automatic import license from MOFTEC, which will be administered in accordance with the provisions of the Agreement on Import Licensing Procedures. The license will be granted in no more than 10 days from when the quota-holder presents a tariff-quota allocation.

The quota quantities after the end of the implementation period will be the subject of further negotiation. Unless new quota quantities are agreed, the quantities at the end of the implementation period will continue.