

**QUESTIONS AND COMMENTS CONCERNING PROPOSALS
ON IMPLEMENTATION-RELATED ISSUES REFERRED TO
THE COMMITTEE IN THE 15 DECEMBER 2000
DECISION OF THE GENERAL COUNCIL**

Questions and Comments of Hong Kong, China

The following communication, dated 6 April 2001, has been received from the Permanent Mission of Hong Kong, China.

1. We would like to praise the efforts by India, Colombia and other developing Members in coming up with three papers which explain in some depth the difficulties they have experienced in implementing certain provisions in the ASCM. Hong Kong, China regards the submissions and the proposals therein as a positive step to finding practicable remedies to the implementation problems identified.

2. To facilitate Members to assess the implications and practicability of the proposals, we would appreciate it if the proponents could shed some light on the possible impact, if any, of the proposals on global trade flows. We believe more input in this direction would help Members forge an early decision on the way forward.

3. In addition, we would appreciate the proponents' response to the following specific questions.

India's proposal on use of aggregated and generalized rate for calculation of remission of import charges (G/SCM/W/430)

- We would be grateful if the proponent could elaborate the procedural steps to establish the aggregate and generalized rates, as set out in paras. 2.6-2.9 of the paper. We would also be grateful to know if the proponent envisages any role by WTO in determining the statistical amount and value of inputs required for producing different products.

Inclusion of capital goods in "input consumed in the production process" under footnote 61 to Annex II as proposed by Colombia and India (G/SCM/W/429 and G/SCM/W/430).

- We should be grateful for proponents' elaboration on how to prevent abuse of the proposal, bearing in mind that some capital goods are used for manufacturing products targeted for both export and domestic markets.