

WORLD TRADE ORGANIZATION

G/TMB/N/445/Add.1
18 June 2002

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Textiles Monitoring Body

Original: English

AGREEMENT ON TEXTILES AND CLOTHING

Notification under Article 2.2

CHINA

Addendum

The Textiles Monitoring Body has received an additional notification from China containing observations made pursuant to Article 2.2.

The TMB is circulating this notification to WTO Members for their information pursuant to Article 2.2.

Permanent Mission of the People's Republic of China
to the World Trade Organization
Geneva

10 June 2002

Ref: G/N/TC/008/02

Dear Mr. Chairman,

With reference to your letter of 23 May 2002, my government has the following observations:

1. On the application of Article 2.16 of the ATC

The United States still maintains specific caps on the combined use of carryover and carry forward. In China's view, the original intention of the Article is that quantitative limits shall be imposed neither on the combined use of all the three of swing, carryover and carry forward, nor on the combined use of any two.

2. On group limit and specific limit

The United States has notified China's base level in effect on 10 December 2001. As China has become a WTO Member since 11 December 2001, the issue shall be examined under WTO framework, specifically the ATC.

3. On downward adjustment of quota level due to partial integration

China's original opinion in its notification under Article 2.2 stands.¹

4. On category 239 PT

China takes the view that if the import of Category 239PT is counted in the total quota of Group I with no increase for the total quota of that Group, the import of this category actually uses the quota of other categories in Group I, and thus the actual quota of Group I has decreased, which certainly does not benefit China at all.

Please accept, Mr. Chairman, the assurances of my highest consideration.

Yours sincerely,

(Signed)
SUN Zhenyu
Ambassador

Ambassador András Szepesi
Chairman, Textiles Monitoring Body
World Trade Organization

¹ G/TMB/N/445.