

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 12 September 2003, 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 25 September 2003.

Questions related to trade in soybeans

1. In August of this year, China's State Administration for Quality Supervision, Inspection and Quarantine (AQSIQ) announced plans to suspend soybean imports from four US companies, as well as companies from Argentina and Brazil. This action is based on detections of *Phytophthora sojae* in shipments of soybeans beginning in the Spring of this year. The United States does not agree that AQSIQ has identified a valid scientific basis for threatening the blanket suspension of shipments by the US companies in question. The ubiquitous presence of *phytophthora sojae* in soybeans makes the threatened action all the more questionable.

- (a) China allegedly discovered *Phytophthora sojae* in soybean shipments from the companies in question in the Spring of 2003 but did not make its announcement until August 2003. Please explain why China delayed the announcement of its plans for a suspension of soybean shipments from these companies for so long.
- (b) What was the purpose of announcing plans for a suspension of shipments without setting a date on which the suspension would become effective?
- (c) Has China conducted a risk assessment in accordance with the requirements of the Agreement on Sanitary and Phytosanitary Measures (SPS Agreement)? If so, please explain the results of that assessment in detail.
- (d) Please explain how suspending shipments of soybeans from the companies in question would address the identified risk.
- (e) The United States understands that China claims that *Phytophthora sojae* is a controlled contagion. However, *Phytophthora sojae* is ubiquitous in China and many other parts of the world. Please explain how China is ensuring, consistent with its obligations under the SPS Agreement, that any measures addressing *Phytophthora sojae* are not arbitrarily or unjustifiably discriminating between Members where identical or similar conditions prevail, including between China's own territory and that of other Members.