

**TRANSITIONAL REVIEW MECHANISM UNDER PARAGRAPH 18
OF THE PROTOCOL OF ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA**

Comments for China from the European Communities

1. The EU notes with satisfaction the increased co-operation on SPS with China following the contacts established to lift safeguard measures applied to imports of Chinese animal products in 2002, and that a memorandum of understanding on SPS and consumer product safety is in the process of being finalised.
 2. The EU would welcome further improvement in the currently limited market access for EU food products. Regulatory measures sometimes appear non-transparent because of the lack of a formal legal framework that lays down the procedures. Enforcement of food controls in China places a strong reliance on end-product testing, with less emphasis on the audit of controls of processes and establishments, which is contrary to the EU approach.
 3. On market access, as a matter of priority, the EU indicates two areas for further enhancement of co-operation: Removal of the current ban on certain EU products due to BSE, and a change in the approval procedure for EU establishments eligible to export to China.
 4. China has brought its legislation in line with OIE regarding bovine semen. During the annual meeting of the Office International des Epizooties held in Paris in May 2005, significant changes were made to its Terrestrial Animal Health Code Chapter on BSE (Art 2.3.13). In particular, it has changed its recommendations on trade in beef, and blood and blood products. The EU invites China to apply these changed recommendations as it did in the case of the previous version of the chapter on BSE.
 5. Regarding the issue of approval of EU establishments eligible to export, China currently applies an approval system that has similarities with the EU system, with one major exception; China requests inspection of every establishment by Chinese competent authorities prior to approval. The EU, once it has accepted the national system, allows China to pre-list establishments. These establishments may be subject to inspection visits by the EU Food and Veterinary Office (FVO) but this is not routinely required prior to listing. This approach reflects the current international trend which puts the responsibility on audit of the system rather than the individual plant. It builds confidence in the certifying authority which is responsible for day-to-day maintenance of standards. This is more efficient and provides greater safeguards than individual approval. The EU invites China to take a reciprocal approach and allow for pre-listing once the food safety system has been assessed as satisfactory.
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