



## CHINA - MEASURES CONCERNING TRADE IN GOODS AND SERVICES

### REQUEST TO JOIN CONSULTATIONS

#### *Communication from the United States*

The following communication, dated 10 February 2022, from the delegation of the United States to the delegation of China, and the delegation of the European Union, is circulated to the Dispute Settlement Body in accordance with Article 4.11 of the DSU.

---

This concerns the request for consultations by the European Union ("EU") in *China – Measures Concerning Trade in Goods and Services* (WT/DS610/1), as circulated on January 31, 2022.<sup>1</sup> My authorities have instructed me to notify the consulting Members and the Dispute Settlement Body of the desire of the United States to be joined in these consultations, pursuant to Article 4.11 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* (DSU).

The United States has a substantial trade interest in these consultations. According to the request for consultations, the "measures adopted by, and attributable to, China, affect[] the importation of goods from, and the exportation of goods to, the European Union ("EU") and affect[] trade in services between the EU and China."<sup>2</sup> The request for consultations by the EU notes that since the final quarter of 2021, "importers of products originating in Lithuania and/or transiting through Lithuanian ports and/or with some other link to Lithuania began encountering restrictions on securing customs clearance for their goods to enter Chinese territory."<sup>3</sup> The request states that these restrictions were "novel, numerous, recurrent, persisting and strongly correlated in temporal and substantive terms."<sup>4</sup> The request also notes that service restrictions or prohibitions have been placed on Lithuanian entities.<sup>5</sup>

The United States is concerned with these measures, particularly given the significant trade relationship we share with the European Union, its member States, and the People's Republic of China. Lithuania as an EU member State is an integral part of the EU single market, which is critical to EU-U.S. trade. The measures described in the EU Request for Consultations appear to concern shipments transiting through ports within the European Union, EU goods that contain Lithuanian inputs, and Chinese customs clearance procedures of goods from the European Union. Disruptions to these transit routes, EU goods, and customs clearance processes would undermine market-oriented trade and supply chains. Further, many exported goods of U.S. origin contain significant EU

---

<sup>1</sup> Communication from the European Union, "*China – Measures Concerning Trade in Goods and Services: Request for Consultations by the European Union*," dated January 27, 2022 (WT/DS610/1, G/L/1426, G/TFA/D4/1, G/SPS/GEN/1988, S/L/435) (circulated January 31, 2022) ("EU Request for Consultations") (requesting consultations pursuant to Articles 1 and 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* (DSU), in conjunction with Article XXII:1 of the *General Agreement on Tariffs and Trade 1994* (GATT 1994), Article 24.8 of the *Trade Facilitation Agreement* (TFA), Article 11 of the *Agreement on the Application of Sanitary and Phytosanitary Measures* (SPS Agreement) and Article XXII of the *General Agreement on Trade in Services* (GATS).

<sup>2</sup> EU Request for Consultations, p. 1.

<sup>3</sup> EU Request for Consultations, p. 1.

<sup>4</sup> EU Request for Consultations, p. 1.

<sup>5</sup> EU Request for Consultations, p. 2.

content. The integrity of supply chains spanning the United States and the European Union directly impacts U.S. trade and the U.S. economy.

The United States and the member States of the European Union share the largest economic relationship in the world.<sup>6</sup> In 2021, the European Union was the United States' second largest trading partner.<sup>7</sup> U.S. goods exports to the European Union were \$247.0 billion, and U.S. imports from European Union were \$448.7 billion. Furthermore, there is significant trade in goods between China and the United States. In 2021, U.S. exports of goods to China were an estimated \$137.7 billion, and U.S. imports were \$456.8 billion. The significant quantities of trade between and among the United States and these two WTO Members reflect significantly integrated supply chains that are undermined by the measures described in the EU Request for Consultations.

The United States further considers that the timing and uncertain nature of the restrictions and prohibitions described in the EU Request for Consultations are of significant concern given the substantial amount of trade in services and goods between China and the United States.

For the above reasons, the United States considers it has a substantial trade interest in these consultations and requests to be joined in them, pursuant to DSU Article 4.11.

The United States is providing a copy of this letter directly to the Chairperson of the Dispute Settlement Body, with a request that it be circulated to all Members.

---

<sup>6</sup> United States Trade Representative, *2021 National Trade Estimate Report on Foreign Trade Barriers*, at 177. <https://ustr.gov/sites/default/files/files/reports/2021/2021NTE.pdf>.

<sup>7</sup> U.S. Census 2021, *Trade Data Monitor*.