

**TRANSITIONAL REVIEW MECHANISM
PURSUANT TO PARAGRAPH 18 OF THE PROTOCOL ON THE ACCESSION
OF THE PEOPLE'S REPUBLIC OF CHINA**

Questions and Comments from AUSTRALIA to CHINA

The following communication, dated 5 October 2006, is being circulated at the request of the Delegation of Australia.

Iron Ore

1. Australia continues to maintain a strong interest in the automatic import licensing procedures for iron ore in China and is closely monitoring the impact of licensing requirements introduced in May 2005. Australia will continue to assess the consistency of these requirements with the WTO Agreement on Import Licensing and other relevant WTO Agreements.
2. Australia submits the following question for advice from China:
 - In accordance with Article 5 of the Agreement on Import Licensing Procedures, can China provide an update of its plans to notify the Committee about import licenses for iron ore?
3. In accordance with Paragraph 8 (a) of the Protocol of Accession of China, Australia would also appreciate advice on the following questions:
 - Can China advise when it will notify the organisations, including those organisations delegated such authority by the national authorities, that are responsible for authorising or approving imports of iron ore, whether through grant of licence or other approval?
 - Can China advise when it will notify the procedures and criteria for obtaining import licences or other approvals for iron ore?

Copper Ore

4. Australia is interested in the regulatory arrangements for the importation of copper ore into China. Australia understands that China introduced automatic import licensing requirements for copper ores on 1 January 2006 for statistical collection purposes.
 - Australia would appreciate advice of China's plans to notify the Committee of the import licensing requirements for copper ore in accordance with Article 5 of the WTO Agreement on Import Licensing.

Other

5. China advised during the Import Licensing Committee meeting on 21 June 2006 that submission of their 2005 QR notification which lists the products subject to import license administration and automatic import licensing administration had been delayed.

- Is China able to advise when the 2005 QR notification will be available?
- Is China able to advise when the 2006 QR notification will be available?

6. Article 15 of Decree No.26 of the Ministry of Commerce and the Customs General Administration, which entered into effect on 1 January 2005, advises that automatic licences will cease to be issued should China adopt temporary measures to prohibit the importation of goods or place a quantitative restriction on goods subject to automatic import licensing.

- Can China advise whether temporary prohibitions and quantitative restrictions have been used for products subject to automatic import licensing?
- If so, can China advise which products subject to automatic import licensing were affected and why the temporary prohibition or quantitative restrictions were put in place?

7. Article 16 of Decree No.26 of the Ministry of Commerce and the Customs General Administration, which entered into effect on 1 January 2005 details the procedures for returning unused automatic import licenses, including the need to provide reasons for the automatic import license's lack of use.

- Can China advise the purpose of requiring reasons for an automatic license's lack of use and advise if there are any consequences if a license holder does not use their automatic import license?
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