

<u>Description of products</u>	<u>Tariff item number</u>	<u>Initial quota quantity and quota tariff rate</u>	<u>Final quota quantity and inquota tariff rate</u>	<u>Implementation period</u>	<u>Initial originating right</u>	<u>Other terms and conditions</u>
	10063000y	1%	1%			rice products in these product
	10064000y	1%	1%			classifications shall take into consideration
	11023000y	9%	9%			historical trade flows and allocations to
	11031400y	9%	9%			end-users. Imports of rice and rice products
						will be allocated to the full limit of the quota
						established for each calendar year as
						determined by demand in the Chinese
						market.; 3) Quota for long grain rice shall be
						allocated to state enterprises and to private
						sectors at a ratio of 50:50 (See Note 1); 4)
						Staging for the TRQ quantity:
						Year: TRQ quantity:
						2002 1,995,000 mt
						2003 2,327,500 mt
						2004 2,660,000 mt
Soybean oil		2,118,000 mt	3,587,100 mt	2005	AR,BR,MY,SG,US	1) STE share = 42% to 10% (See Notes 1 and 2);
	15071000	9%	9%			2) Staging for soybean oil
	15079000	9%	9%			Year: TRQ quantity:
						2002 2,518,000 mt
						2003 2,818,000 mt
						2004 3,118,000 mt
						2005 3,587,100 mt
						Staging of STE share:
						Year: share:
						2002 34%
						2003 26%
						2004 18%
						2005 10%
						Tariff quotas to be eliminated on 1 January
						2006
Palm oil		2,100,000 mt	3,168,000 mt	2005	BR,CR,MY,SG	1) STE share=42% to 10% (See Notes 1 and 2)
	15111000	9%	9%			2) Staging of TRQ for palm oil:

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	15119000	9%	9%			Year: TRQ quantity: 2002 2,400,000 mt 2003 2,600,000 mt 2004 2,700,000 mt 2005 3,168,000 mt Staging of STE share: Year: share: 2002 34% 2003 26% 2004 18% 2005 10% Tariff quotas to be eliminated on 1 January 2006; 3) China agrees to provide adequate opportunities in increasing the established import quota levels of TRQs for palm oil in case of an excessive demand for palm oil within China that is over and above that of the present TRQs as evidenced by the complete utilisation of TRQs for palm oil in the previous year.; 4) Any adjustments to tariffs, import quota levels of TRQs, import rights (with respect to state trading enterprises) and implementation period resulting from the conclusion of future bilateral negotiations with other oils and fats exporting countries for other oils and fats, shall see a corresponding adjustment for palm oil as well. 1) STE share = 42% to 10% (See Notes 1 and 2); 2) Staging for rape-seed oil Year: TRQ quantity:
Rape-seed oil			1,243,000 mt	2005	AU,BR,CA,CE15, SG	
	15141010	9%	9%			
	15141090	9%	9%			

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	15149000	9%	9%			2002 878,900 mt 2003 1,018,600 mt 2004 1,126,600 mt 2005 1,243,000 mt Staging of STE share: Year: share: 2002 34% 2003 26% 2004 18% 2005 10% Tariff quotas to be eliminated on 1 January 2006
Sugar		1,680,000 mt	1,945,000 mt	2004	AU,BO,BR,CO,CR, CU,DO,GT,HN,NI, PA,TH	1) STE share=70% (See Note 1)
	17011100	20%	15%			2) Annual growth rate for the quota volume of sugar is 5%; 3) China agrees to provide adequate opportunities for consultations in case of an excessive re-export of sugar from China and it shall fully take into account the concerns of WTO Members in this regard;
	17011200	20%	15%			4) Staging for sugar: Year: TRQ quantity: 2002 1,764,000 mt 2003 1,852,000 mt 2004 1,945,000 mt;
	17019100	20%	15%			5) The in-quota tariff rate will remain at 20% from the date of accession until 31 December 2003, whereupon the 15% tariff will take effect on 1 January 2004.
	17019910	20%	15%			1) China agrees that in relation to distribution of import and export licences and tariff quotas for wool, foreign individuals and enterprises, foreign-funded enterprises and joint ventures will be accorded treatment no less favourable than that accorded to other
	17019920	20%	15%			
	17019990	20%	15%			
Wool		253,250 mt	287,000 mt	2004	AU,CL,CO,NZ,UY	
	51011100	1%	1%			
	51011900	1%	1%			
	51012100	1%	1%			
	51012900	1%	1%			
	51013000	1%	1%			

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	51031010	1%	1%			individuals and enterprises. 2) Staging for wool:
						Year: TRQ quantity:
						2002 264,500 mt
						2003 275,750 mt
						2004 287,000 mt
Cotton		780,750 mt	894,000 mt	2004	AU,CO,US	1) STE share = 33% (See Note 1)
	52010000	1%	1%			2) Staging for cotton
	52030000	1%	1%			Year: TRQ quantity:
						2002 818,500 mt
						2003 856,250 mt
						2004 894,000 mt

PART III - NON-TARIFF CONCESSIONS

Section A--Tariff-rate Quotas on Fertilizer and Wool Tops

1. Tariff quotas indicated in the third column are volumes for calendar year 2001. Tariff quota concessions will be implemented according to the date specified in the "implementation" column. The implementation column indicates the date (referring to 1 January of the year indicated) when the final quota quantity will be achieved. The tariff quota concessions are subject to equal annual adjustments (occurring on 1 January of each year), unless otherwise specified in the last column ("Other terms and conditions").

2. An entity granted a tariff quota allocation (quota-holder) may engage in importation through state-trading enterprises and/or through entities possessing the right to trade other than state-trading enterprises, including direct importation by the quota holder, as indicated on documentation issued with the allocation or reallocation of the tariff quota

3. Application: All applications for an allocation of the tariff-quota will be submitted to the relevant organization. Specific conditions for applying for a tariff-quota allocation will be published in the official journal one month in advance of the application period, which will be from 15 October to 30 October.

4. Allocation:

A. The entire tariff-quota quantity established in Part III shall be allocated to end users by 1 January each year. Inquiries regarding tariff-quota allocations can be made to the relevant organization, with responses provided within 10 working days. Any additional requirement for importation will be automatic under the terms of the Agreement on Import Licensing Procedures. The People's Republic of China will equitably distribute allocations within each portion of the tariff-quota to ensure complete tariff-quota utilization and to establish a tariff-quota system that is open, transparent, fair, responsive to market conditions, timely, minimally burdensome to trade and reflects end user preferences.

B. In the first year, allocations to end users by the relevant organization of the tariff-quota reserved for importation through state-trading enterprises shall be based on a first-come, first-served system or the requests of the applicants and their historical import performance, production capacity, or other relevant commercial criteria, subject to specific conditions to be published one month in advance of the opening of the application period so as to ensure an equitable distribution and complete tariff-quota utilization. In the first year, no less than 10 % of the tariff-quota reserved for importation through state-trading enterprises will be allocated to new quota-holders.

C. In the first year, allocations to end users by the relevant organization of the tariff-quota reserved for importation through entities other than state-trading enterprises shall be based on a first-come, first-served system or the requests of the applicants and their historical import performance, production capacity, or other relevant commercial criteria. No less than 10 % of the tariff-quota reserved for importation through entities other than state-trading enterprises will be allocated to new quota-holders. This tariff-quota will be limited to entities that do not receive any special or exclusive rights or privileges, and will include allocations to joint ventures, wholly foreign-funded enterprises, and private enterprises.

D. Except in cases where tariff-quota is allocated on a first-come, first-served basis, and in accordance with China's Schedule of Concessions and Commitments on Goods, a quota-holder that has imported under a tariff-quota shall, upon application, receive an allocation of the tariff-quota in the following year for a quantity no less than the quantity imported the previous year. For all methods of allocation, a quota-holder that does not import its full allocation under a tariff-quota will receive a proportional reduction in the tariff-quota allocation in the subsequent year unless the quantity is returned to the relevant organization prior to 15 September. A quota-holder that has failed to import its full allocation in two consecutive years and has returned that unused portion by 15 September shall have its quota allocated in the following year on the basis of its fill rate in the most recent year, and shall not benefit from any additional reallocations until and unless there are no other applications. The means of calculating the penalty will be included in the TRQ regulation in force and publicly available, and will be applied in a consistent and equitable manner.

E. Allocations will be established for commercially viable shipping quantities and provisions will be made for partial shipments against a single tariff-quota allocation. All commercial terms of trade, including product specification, pricing, packaging, etc., will be at the sole determination of the importer and the exporter taking into full account the demands of the end user. Tariff-quota allocations will be valid for any item or mixture of items subject to the same tariff quota.

F. Inquiries on the entities which received the allocation can be made to the relevant organization which will provide the information within 10 days.

5. Term: The tariff-quota for each product will be opened on 1 January each year, unless otherwise specified in the Schedule. Tariff-quota allocations will be valid for the calendar year.

6. Reallocation:

- A. In any year, if a quota-holder has not contracted for the total quantity by 15 September, it shall return the unused portion of the tariff-quota quantity to the relevant organization for reallocation.
- B. Applications for reallocation of the tariff-quota will be accepted by the relevant organization from 1 September to 15 September and new allocations will be assigned by 1 October. Specific conditions for applying for reallocation of tariff quotas will be published in the official journal one month in advance of the application period. Such allocations, which will be to new applicants and to entities other than those returning quotas under sub-paragraph 6.A. above, will be assigned on a first-come, first-served basis. Quota-holders allocated a share of the tariff-quota reserved for importation through entities other than state-trading enterprises may import through any entity that has a right to trade in any product as specified in Section 5 of the Protocol of Accession.
- C. Inquiries on the entities which received the reallocations can be made to the relevant organization which will provide the information within 10 days.
- D. In situations where goods have been shipped from their port of origin before 31 December of any year, but are entered after 31 December of that year, the People's Republic of China shall extend the validity of the tariff quota documents and shall count such shipments against the tariff quota allocation for the year in which the tariff quota

Consultations:

7. With a view to maintaining a transparent and open tariff quota system, upon request from any WTO Member, China shall consult with the Member on the administration of the tariff quota to ensure that the tariff quota will be allocated in a transparent, equitable and non-discriminatory manner and that the tariff quota will be fully utilized.

Notes:

1. The share of the tariff-quota reserved for importation through state-trading enterprises is specified in column 7 of Part III. The remainder of the tariff-quota quantity is reserved for importation through any non-state trading enterprise possessing the right to trade in any product as set forth in Section 5 of the Protocol of Accession.
In any year, if the quantity of the tariff-quota reserved for importation through state-trading enterprises has not been contracted for by 15 August, quota-holders will have the right to trade or to import through any entity with the right to trade any product under Section 5 of the Protocol of Accession.
2. All quota holders, that have already fully used or contracted their tariff-quota allocations in any year by 15 September will also be eligible for reallocation of tariff-quota from other quota holders that have returned their allocations.
3. The quota quantities after the end of the implementation period will be the subject of further negotiation. Unless new quota quantities are agreed, the quantities at the end of the implementation period will continue.
4. The relevant organization referred to above for inquiries, allocations, and reallocations shall be:
 - (a) for fertilizer, the State Economic and Trade Commission (SETC);
 - (b) for wool top, the State Development and Planning Commission (SDPC).
5. After 1 January 2006, any annual growth in TRQ amounts provided to a fertilizer product subject to a TRQ shall be provided to all fertilizer products subject to a TRQ, including annual growth rates exceeding those provided for in this schedule.

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Diammonium hydrogenorthophosphate (diammonium phosphate)	31053000	5,400,000 mt 4%	6,900,000 mt 4%	2006 (See Note 3)	US	1) STE quantity = 90% to 51% (See Note 1), decreasing 5 percentage points per year until reaching 51% in year 9. 2) The tariff quota level will be increased by 5% annually.
Urea	31021000	1,300,000 mt 4%	3,300,000 mt 4%	2006 (See Note 3)	AU,MY,US	1) STE quantity = 90% (See Note 1); 2) Year 2 - 1,300,000 mt Year 3 - 1,800,000 mt Year 4 - 2,300,000 mt Year 5 - 2,800,000 mt
NPK	31052000	2,700,000 mt 4%			CE15,MY,PH	1) Non-state trading share of 10% on accession increasing in equal steps to 49% over 8 years; 2) A 5% annual growth rate; 3) The growth rate will be reviewed with Members having an interest not before the end of the 6 year implementation period, following which it may be amended by agreement.
Wool tops	51051000 51052100 51052900	68,750 mt 3% 3% 3%	80,000 mt 3% 3% 3%	2004	AU,CL,CO,MY,NZ, UY	1) The People's Republic of China will allocate access to the WTO Members taking into account their bilateral historical trade flows. 2) Year: TRQ quantity: 2002 72,500 mt 2003 76,250 mt 2004 80,000 mt