

December 19, 2008

H.E. Mr. Sun Zhenyu  
Ambassador  
Permanent Mission of the People's Republic of China  
Route de Lausanne 228  
1292 Chambésy  
Switzerland

Dear Mr. Ambassador:

My authorities have instructed me to request consultations with the Government of the People's Republic of China pursuant to Articles 1 and 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes*, Article XXII:1 of the *General Agreement on Tariffs and Trade 1994* ("GATT 1994"), Articles 4 and 30 of the *Agreement on Subsidies and Countervailing Measures* ("SCM Agreement"), and Article 19 of the *Agreement on Agriculture*, with regard to certain measures offering grants, loans, and other incentives to enterprises in China. As required by Article 4.2 of the SCM Agreement, a Statement of Available Evidence is attached to this request for consultations.

A. These grants, loans, and other incentives are reflected in the following measures, as well as any amendments or any related or implementing measures:

I. The instruments below, which relate to the China World Top Brand Program:

*CWTB-1. Circular on Carrying Out Evaluation of Products to Be Recognized as China World Top Brand;*<sup>1</sup>

*CWTB-2. Circular on Application of China World Top Brands in 2006;*<sup>2</sup>

*CWTB-3. Circular on Application of China World Top Brands in 2008;*<sup>3</sup>

*CWTB-4. Measures for the Administration of Chinese Name-Brand Products;*<sup>4</sup>

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1 GZJZ [2005] No. 95.

2 ZJZH [2006] No. 11.

3 ZJZH [2008] No. 23.

4 AQSIQ Order No. 12 (December 29, 2001).

- CWTB-5. *Notice Concerning the Issuing of Opinions on Promoting the Brand-Driven Strategy & Its Incentive Measures;*<sup>5</sup>
- CWTB-6. *Notices Concerning Printing and Distributing the Implementation Regulation on Economic Development Fund Supporting Industrial Technology Progress in Futian District Shenzhen;*<sup>6</sup>
- CWTB-7. *Notices of Gansu Provincial People’s Government Concerning Printing and Distributing Incentive Methods for Enterprises Entitled with Famous Brand Products in Gansu Province;*<sup>7</sup>
- CWTB-8. *Notice on Methods of Implementing Brand Praise and Incentive for Industrial Enterprises in Guangxi Zhuang Autonomous Region;*<sup>8</sup>
- CWTB-9. *Several Related Policies on Implementation of Guiyang’s Science and Technology Development Planning During the “Eleventh Five-Year Plan” (2006-2010);*<sup>9</sup>
- CWTB-10. *Opinions of the Party Committee and People’s Government of Jinhua City on Promoting the Building of “Jinhua Brand;”*<sup>10</sup>
- CWTB-11. *Circular of Jiujiang Municipal People’s Government on Adjusting and Enriching the Incentive Policy for Creating a City of Brand;*<sup>11</sup>
- CWTB-12. *Circular on Printing and Distributing the Method of Nanhai District, Foshan City for Supporting and Awarding Independent Innovation, Brand Drive and Enterprise IPO;*<sup>12</sup>
- CWTB-13. *Opinions of Nanping Municipal People’s Government on Supporting Development of Key Industrial Enterprise;*<sup>13</sup>

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5 FFB [2007] No. 274.

6 FBF [2007] No. 53.

7 GZF [2007] No. 72.

8 Gui Zheng Ban Fa [2007] No. 42.

9 ZFF [2006] No. 51.

10 SW [2006] No. 21.

11 JZW [2007] No. 93.

12 NF [2007] No. 128.

13 Nan Zheng Zong [2007] No. 219.

- CWTB-14. *Opinions on Promoting Fast and Healthy Development of Characteristic Manufacturing Industry through Implementing Industrial Upgrading Projects*;<sup>14</sup>
- CWTB-15. *Circular of Sichuan Provincial People’s Government on Printing and Distributing the “Opinions on Forcefully Pressing Ahead Industrial Brands Strategy in Sichuan;”*<sup>15</sup>
- CWTB-16. *Circular on Forwarding the Detailed Reward Rules for the Strategy of Drive with Top Brands in Suzhou City;*<sup>16</sup>
- CWTB-17. *Circular on Forwarding the Policy Measures for Pushing on the Strategy of Drive with Top Brands;*<sup>17</sup>
- CWTB-18. *Notice Issued by the Office of Wenzhou Municipal Government for the Distribution of Quality & Branding Award Management Measures in Wenzhou;*<sup>18</sup>
- CWTB-19. *Opinions of Wuyi County Party Committee and People’s Government on Further Encouraging and Promoting the Development of SMEs;*<sup>19</sup>
- CWTB-20. *Notices Concerning Printing and Distributing the Implementing Regulations Issued by the Bureau of Finance and the Economic Development Administration of Xiamen to Support the Development of High Quality Well-Known Products in Xiamen;*<sup>20</sup>
- CWTB-21. *Suggestions on Supporting Key Industrial Enterprises Issued by the People’s Government of Yandu District, Yancheng City;*<sup>21</sup>
- CWTB-22. *Suggestions on Accelerating the Implementation of Brand Strategy;*<sup>22</sup>
- CWTB-23. *Circular on Ensuring Proper Use and Management of Guangdong Brand Development Fund;*<sup>23</sup>

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14 QWF [2007] No. 20.

15 CFF [2007] No. 38.

16 SFB [2005] No. 109.

17 SFB [2005] No. 115.

18 WZB [2006] No. 147.

19 Available at [http://www.zjwy.gov.cn/dzwk/wj\\_style.jsp?fileID=1312](http://www.zjwy.gov.cn/dzwk/wj_style.jsp?fileID=1312).

20 Xiacaiqui [2007] No. 21.

21 DZF [2007] No. 102.

22 ZZF [2007] No. 81.

23 YCF [2007] No. 64.

CWTB-24. *Notice of Issuing the Directive on Supporting the Development of Name Brands for Export.*<sup>24</sup>

II. The instruments below, which relate to the Chinese Famous Export Brand Program:

*FXB-1. Circular of the General Office of the State Bureau of Quality Supervision, Inspection and Quarantine for Issuing the “Measures for the Control of Evaluation of Chinese Famous-Brand Products (for Trial Implementation);”*<sup>25</sup>

*FXB-2. Notice of General Office of Ministry of Commerce Concerning Recommending Candidates of “Chinese Export Famous Brands ;”*<sup>26</sup>

*FXB-3. Notice of Issuing the Directive on Supporting the Development of Name Brands for Export;*<sup>27</sup>

*FXB-4. Circular of Changxing County People’s Government on Further Promoting Foreign Trade Development;*<sup>28</sup>

*FXB-5. Opinions of Deqing County People’s Government on Strengthening the Building of Advanced Manufacturing Bases;*<sup>29</sup>

*FXB-6. Circular on Printing and Distributing the Policy Opinions for Accelerating Innovative Development of Industrial Economy;*<sup>30</sup>

*FXB-7. Notice Concerning the Issuing of Opinions on Promoting the Brand-Driven Strategy & Its Incentive Measures;*<sup>31</sup>

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24 Shang Mao [2005] No. 124.

25 Guozhijian [2001] No. 32.

26 SBMH [2007] No. 25.

27 Shang Mao [2005] No. 124.

28 CZF [2005] No. 45.

29 DZF [2008] No. 29.

30 CZF [2007] No. 54.

31 FFB [2007] No. 274.

*FXB-8. Circular on Printing and Distributing the “Provisional Regulation on the Use of Fujian Export Brand Development Fund,”*<sup>32</sup>

*FXB-9. Circular of the Foreign Trade and Economic Cooperation Department of Fujian Province on Recommending Candidate Enterprise for the 2008-2009 “Famous Export Brands the Foreign Trade and Economic Cooperation Department of Fujian Province Mainly Cultivates and Develops [Foreign Trade and Economic Cooperation Department of Fujian Province],”*<sup>33</sup>

*FXB-10. Circular on Printing and Distributing the Opinions on Recognizing “Famous Export Brands the Foreign Trade and Economic Cooperation Department of Guangdong Province Mainly Cultivates and Develops;”*<sup>34</sup>

*FXB-11. Suggestions on the “Export Brands Particularly Cultivated and Developed by the Department of Foreign Trade and Economic Cooperation Department of Guangdong Province” (Revised Edition);*<sup>35</sup>

*FXB-12. Notices Concerning Alternative Name List Supplementary to the Export Brands Particularly Cultivated and Developed by the Department of Foreign Trade and Economic Cooperation of Guangdong Province;*<sup>36</sup>

*FXB-13. Circular on Ensuring Proper Use and Management of Guangdong Brand Development Fund;*<sup>37</sup>

*FXB-14. Notice Regarding Support Policies to Promote the Development of Our City’s Foreign Trade and Economic Cooperation for 2005;*<sup>38</sup>

*FXB-15. Notice of the Administrative Office of the Hangzhou Municipal People’s Government on Revision of the Evaluation and Selection Requirements and Award Measures for the “Golden Dragon Awards” in Hangzhou’s Foreign Trade Export;*<sup>39</sup>

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32 MCW [2007] No. 17.

33 MWJMF [2008] No. 31.

34 YWJMIZ [2007] No. 1.

35 Available at <http://www.gddoftec.gov.cn/jsmyc/main/shownews.asp?newsid=299&channalid=16>.

36 YWJMJIH [2008] 31.

37 YCF [2007] No. 64.

38 Hang Wai Jing Mao Ji Cai [2005] No. 225; Hang Cai Qi Er [2005] No. 602.

39 Hang Zheng Ban [2007] No. 47.

*FXB-16. Directives of the Administrative Office of the Hangzhou Municipal People's Government on Promoting the Development of Independent Export Brands;*<sup>40</sup>

*FXB-17. Circular of the Provincial Department of Commerce, Development and Reform Commission, Economic Commission, Department of Finance, Department of Science and Technology, Bureau of State Tax, Administration for Industry and Commerce, Bureau of Quality and Technical Supervision, and Entry-Exit Inspection and Quarantine Bureau of Heilongjiang Province and Harbin Customs on Printing and Distributing the "Guiding Opinions of Heilongjiang Province on Supporting the Development of Famous Export Brands;"*<sup>41</sup>

*FXB-18. Circular on Printing and Distributing the Newly Revised "Method for Selection of Henan Famous Export Brands;"*<sup>42</sup>

*FXB-19. Guiding Opinions on Supporting the Development of Henan (Famous) Export Brands in the "11<sup>th</sup> Five-Year Plan" Period;*<sup>43</sup>

*FXB-20. Notice Regarding Selection of 2007-2008 "Jiangsu Province Export Brands for Focused Cultivation and Development;"*<sup>44</sup>

*FXB-21. Opinion on Promoting Better and Quicker Development of Private Economy;*<sup>45</sup>

*FXB-22. Opinion of the Party Committee and People's Government of Jinhua City on Promoting the Building of "Jinhua Brand"*<sup>46</sup>

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40 Hang Zheng Ban [2007] No. 10.

41 Hei Shang Lian Fa [2006] No. 1.

42 Yu Shang Mao [2008] No. 1.

43 Yushangmao [2006] No. 13.

44 Suwajjingmaomao 2007 No. 122.

45 JZF [2007] No. 113.

46 SW [2006] No. 21.

- FXB-23. *Opinions of Jindong District Party Committee and People's Government of Jinhua City on Accelerating Industrial and Export-Oriented Economic Development;*<sup>47</sup>
- FXB-24. *Circular of Jiujiang Municipal People's Government on Adjusting and Enriching the Incentive Policy for Creating a City of Brand;*<sup>48</sup>
- FXB-25. *Circular on Printing and Distributing the Method of Nanhai District, Foshan City for Supporting and Awarding Independent Innovation, Brand Drive and Enterprise IPO;*<sup>49</sup>
- FXB-26. *Notice of the Department of Commerce and Department of Finance of Ningxia Hui Autonomous Region on Printing and Issuing the Administrative Measures of Ningxia Hui Autonomous Region for the Awarding and Promoting of Brand Export Commodities;*<sup>50</sup>
- FXB-27. *Notice of the People's Government of Quanzhou Fengze District on Issuing Regulations Concerning the Support to Key Enterprises;*<sup>51</sup>
- FXB-28. *Opinion on Promoting Fast and Healthy Development of Characteristic Manufacturing Industry through Implementing Industrial Upgrading Projects;*<sup>52</sup>
- FXB-29. *Notice on Printing and Distribution of 2006 Policies for Encouraging the Development of Foreign Trade & Economic Cooperation in Shandong;*<sup>53</sup>
- FXB-30. *Opinions of Shaoxing Municipal People's Government on Further Encouraging the Development of Open Economy in Urban Areas;*<sup>54</sup>
- FXB-31. *Circular of Sichuan Provincial People's Government on Printing and Distributing the "Opinions on Forcefully Pressing Ahead Industrial Brands Strategy in Sichuan ;"*<sup>55</sup>

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47 Available at [http://zsj.jindong.gov.cn/news/ZCFG\\_9214/200811431343.html](http://zsj.jindong.gov.cn/news/ZCFG_9214/200811431343.html).

48 JZW [2007] No. 93.

49 NF [2007] No. 128.

50 Ning Shang (Gui Cai) FA [2006] No. 159.

51 Quanfengzhengzong [2008] No. 22.

52 QWF [2007] No. 20.

53 LCQ [2006] No. 5.

54 SZF [2007] No. 66.

55 CFF [2007] No. 38.

- FXB-32. Circular on Forwarding the Detailed Reward Rules for the Strategy of Drive with Top Brands in Suzhou City;*<sup>56</sup>
- FXB-33. Circular on Forwarding the Policy Measures for Pushing on the Strategy of Drive with Top Brands;*<sup>57</sup>
- FXB-34. Circular on Forwarding the Opinions of Foreign Trade Office of Tianjin Municipal Government on Accelerating Development of Proprietary Export Brands of Tianjin City;*<sup>58</sup>
- FXB-35. Circular of Wuxing District People's Government of Huzhou City on Further Encouraging Foreign Trade Development;*<sup>59</sup>
- FXB-36. Opinion of Wuyi County Party Committee and People's Government on Further Encouraging and Promoting the Development of SMEs;*<sup>60</sup>
- FXB-37. Measures for Managing Xiamen's Key Export Enterprise Assistance Fund;*<sup>61</sup>
- FXB-38. Notice from the Xiamen Trade Development Bureau and the Xiamen Finance Bureau on the publishing of Measures for Managing Xiamen's Key Export Enterprise Assistance Fund Implementation Plan;*<sup>62</sup>
- FXB-39. CPC Committee of Yinzhou District, Ningbo City People's Government of Yinzhou District, Ningbo City Opinions on Promoting Economic Development of Yinzhou District;*<sup>63</sup>
- FXB-40. Notices on Publication of Interim Procedures on Management of Zhejiang Province Export Brands Fund;*<sup>64</sup>

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56 SFB [2005] No. 109.

57 SFB [2005] No. 115.

58 JZF [2007] No. 005.

59 WZF [2005] No. 9.

60 Available at [http://www.zjwy.gov.cn/dzwk/wj\\_style.jsp?fileID=1312](http://www.zjwy.gov.cn/dzwk/wj_style.jsp?fileID=1312).

61 Xia Fu Ban [2006] No. 117.

62 Xiamen Trade Development Gui Cai [2006] No. 268.

63 YYD [2008] No. 1.

64 ZCQZ [2006] No. 207.

- FXB-41. Notice Concerning Relevant Policies on Promotion of Foreign Trade & Economic Development in 2005;*<sup>65</sup>
- FXB-42. Suggestions on Accelerating the Implementation of Brand Strategy;*<sup>66</sup>
- FXB-43. Notice Issued by the Office of Wenzhou Municipal Government for the Distribution of Quality & Branding Award Management Measures in Wenzhou;*<sup>67</sup>
- FXB-44. Opinions on Accelerating Open Economy of Organizations Directly Under Municipal Government;*<sup>68</sup>
- FXB-45. Opinion of Nanping Municipal People's Government on Supporting Development of Key Industrial Enterprises;*<sup>69</sup>
- FXB-46. Circular on Printing and Distributing the Interim Measures of Yangzhou City for Administration of the Incentive Fund for Famous-brand Export Products;*<sup>70</sup>
- FXB-47. Implementing Rules of Support Policies for Patented Brands of Service Outsourcing Companies by Zhabei District;*<sup>71</sup>
- FXB-48. Notices for Evaluation and Rewards of 2008-2009 Export Brand Particularly Cultivated and Developed in Heilongjiang;*<sup>72</sup>
- FXB-49. Measures for the Administration of Famous-brand (Industrial) Products of Guangdong Province;*<sup>73</sup>

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65 ZCQZ [2005] No. 145.

66 ZZF [2007] No. 81.

67 WZB [2006] No. 147.

68 LZF [2004] No. 38.

69 Nan Zheng Zong [2007] No. 219.

70 YCQ [2007] No. 23; YWJMM [2007] No. 008.

71 Economic Commission of Zhabei District, Shanghai (June 2007) *available at* <http://www.shiso.gov.cn/Policy/ZBPolicydetail.aspx?id=77>.

72 HSMF [2008] No. 37.

73 *Available at* <http://www.lawinfochina.com/law/display.asp?db=1&id=2737&keyword=famous%20brand%20guangdong>.

*FXB-50. Measures for the Administration of Famous-Brand (Agricultural) Products of Guangdong Province;*<sup>74</sup>  
*FXB-51. Circular of Ministry of Commerce, China Export & Credit Insurance Corporation Concerning Utilizing Export Credit Insurance to Support the Development of Name Brand Export.*<sup>75</sup>

III. The instruments below:

*L-1. Notice Regarding Support Policies to Promote the Development of Our City's Foreign Trade and Economic Cooperation for 2005;*<sup>76</sup>  
*L-2. Opinions of Jindong District Party Committee and People's Government of Jinhua City on Accelerating Industrial and Export-Oriented Economic Development;*<sup>77</sup>  
*L-3. Opinions of Shaoxing Municipal People's Government on Further Encouraging the Development of Open Economy in Urban Areas;*<sup>78</sup>  
*L-4. Notice Concerning Relevant Policies on Promotion of Foreign Trade & Economic Development in 2005;*<sup>79</sup>  
*L-5. Circular of the Provincial Department of Commerce, Development and Reform Commission, Economic Commission, Department of Finance, Department of Science and Technology, Bureau of State Tax, Administration for Industry and Commerce, Bureau of Quality and Technical Supervision, and Entry-Exit Inspection and Quarantine Bureau of Heilongjiang Province and Harbin Customs on Printing and Distributing the "Guiding Opinions of Heilongjiang Province on Supporting the Development of Famous Export Brands;"*<sup>80</sup>

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74 Available at <http://www.lawinfochina.com/law/display.asp?db=1&id=2768&keyword=famous%20brand%20guangdong>.

75 Shang Mao Fa [2005] No. 332

76 Hang Wai Jing Mao Ji Cai [2005] No. 225; Hang Cai Qi Er [2005] No. 602.

77 Available at [http://zsj.jindong.gov.cn/news/ZCFG\\_9214/200811431343.html](http://zsj.jindong.gov.cn/news/ZCFG_9214/200811431343.html).

78 SZF [2007] No. 66.

79 ZCQZ [2005] No. 145.

80 Hei Shang Lian Fa [2006] No. 1.

- L-6. *Opinions on Accelerating Open Economy of Organizations Directly Under Municipal Government*,<sup>81</sup>
- L-7. *Circular of Nanchang Municipal People's Government on Printing and Distributing the Interim Measures for Administration of Nanchang Foreign Trade Development Fund*;<sup>82</sup>
- L-8. *Trial Opinions of Jiangdong District, Ningbo City on Promoting Steady Foreign Trade Development*;<sup>83</sup>
- L-9. *Opinions of Jiangdong District, Ningbo City on Promoting Steady Foreign Trade Development*;<sup>84</sup>
- L-10. *2005 Policies for Encouraging the Development of Foreign Trade & Economic Cooperation in Shandong*;<sup>85</sup>
- L-11. *Notice on Printing and Distribution of 2006 Policies for Encouraging the Development of Foreign Trade & Economic Cooperation in Shandong*;<sup>86</sup>
- L-12. *Notice on Printing and Distribution of 2003 Policies for Encouraging and Expanding Foreign Trade Export to Shandong*;<sup>87</sup>
- L-13. *2004 Policies for Encouraging the Development of Foreign Trade & Economic Cooperation in Shandong*;<sup>88</sup>
- L-14. *Circular of Wuxing District People's Government on Further Encouraging the Development of Open Economy in Urban Areas*;<sup>89</sup>

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81 LZF [2004] No. 38.

82 Hong Fu Fa [2007] No. 31.

83 DZF [2004] No. 13.

84 Dong Zheng Fa [2005] No. 25.

85 Available at <http://shandong.mofcom.gov.cn/aarticle/sjtongzhigg/200502/20050200018389.html>.

86 LCQ [2006] No. 5.

87 LWJMJCZ [2003] No. 180.

88 LWJMJCZ [2003] No. 1037.

89 SZF [2005] No. 9.

- L-15. *Measures for Managing Xiamen 's Key Export Enterprise Assistance Fund;*<sup>90</sup>
- L-16. *Notice from the Xiamen Trade Development Bureau and the Xiamen Finance Bureau on the publishing of Measures for Managing Xiamen 's Key Export Enterprise Assistance Fund Implementation Plan;*<sup>91</sup>
- L-17. *Opinions on Further Accelerating the Development of Open Economy;*<sup>92</sup>
- L-18. *CPC Committee of Yinzhou District, Ningbo City People's Government of Yinzhou District, Ningbo City Opinions on Promoting Economic Development of Yinzhou District;*<sup>93</sup>
- L-19. *Notices on Publication of Interim Procedures on Management of Zhejiang Province Export Brands Fund;*<sup>94</sup>
- L-20. *Circular on Changxing County People's Government on Further Promoting Foreign Trade Development;*<sup>95</sup>
- L-21. *Notices Concerning Printing and Distributing the Implementation Regulation on Economic Development Fund Supporting Industrial Technology Progress in Futian District Shenzhen;*<sup>96</sup>
- L-22. *Notice Issued by the Office of Wenzhou Municipal Government for the Distribution of Quality & Branding Award Management Measures in Wenzhou;*<sup>97</sup>
- L-23. *Notice of the Administrative Office of the Hangzhou Municipal People's Government on Revision of the Evaluation and Selection Requirements and Award Measures for the "Golden Dragon Awards" in Hangzhou's Foreign Trade Export;*<sup>98</sup>

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90 Xia Fu Ban [2006] No. 117.

91 Xiamen Trade Development Gui Cai [2006] No. 268.

92 XZF [2007] No. 1.

93 YYD [2008] No. 1.

94 ZCQZ [2006] No. 207.

95 CZF [2005] No. 45.

96 FBF [2007] No. 53.

97 WZB [2006] No. 147.

98 Hang Zheng Ban [2007] No. 47.

- L-24. *Directives of the Administrative Office of the Hangzhou Municipal People's Government on Promoting the Development of Independent Export Brands;*<sup>99</sup>
- L-25. *Notice of the People's Government of Quanzhou Fengze District on Issuing Regulations Concerning the Support to Key Enterprises;*<sup>100</sup>
- L-26. *Notice on Recommending of Alternative Name List for 2005-2006 "Export Brand Merchandise in Shanghai;"*<sup>101</sup>
- L-27. *Implementing Rules of Support Policies for Patented Brands of Service Outsourcing Companies by Zhabei District;*<sup>102</sup>
- L-28. *Notice of Shanghai Municipal Commission of Foreign Trade and Economic Cooperation for Carrying out Confirmation of 2007-2008 "Export Brands in Shanghai;"*<sup>103</sup>
- L-29. *Measures on Promoting the Development of the City OpenEconomy in 2006;*<sup>104</sup>
- L-30. *Notices for Evaluation and Rewards of 2008-2009 Export Brand Particularly Cultivated and Developed in Heilongjiang;*<sup>105</sup>
- L-31. *Notice Regarding Support Policies to Promote the Development of Our City's Foreign Trade and Economic Cooperation for 2005;*<sup>106</sup>
- L-32. *Notice Regarding Selection of 2007-2008 "Jiangsu Province Export Brands for Focused Cultivation and Development."*<sup>107</sup>

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99 Hang Zheng Ban [2007] No. 10.

100 Quanfengzhengzong [2008] No. 22.

101 HJMMC [2005] No. 143.

102 Economic Commission of Zhabei District, Shanghai (June 2007) *available at* <http://www.shiso.gov.cn/Policy/ZBPolicydetail.aspx?id=77>.

103 *Available at* <http://www.1128.org/html/dzzw/ggl/2008/08/doc45735.shtml>.

104 *Available at* [http://www.zh.gov.cn/English/Investment/Policy/200802/t20080218\\_19097.htm](http://www.zh.gov.cn/English/Investment/Policy/200802/t20080218_19097.htm).

105 HSMF [2008] No. 37.

106 Hang Wai Jing Mao Ji Cai [2005] No. 225; Hang Cai Qi Er [2005] No. 602.

107 Suwaijingmaomao 2007 No. 122.

B. The measures referred to in Section A above appear to provide grants, loans, and other incentives to enterprises in China on the condition that those enterprises meet certain export performance criteria. Accordingly, the measures appear to be inconsistent with Article 3 of the SCM Agreement. Additionally, to the extent that these measures provide subsidies for agricultural products, they appear to be inconsistent with Articles 3, 9, and 10 of the *Agreement on Agriculture*. The measures also appear to be inconsistent with China's obligations under paragraph 12.1 of Part I of its Accession Protocol<sup>108</sup>, as well as paragraph 1.2 of Part I of its Accession Protocol (to the extent that it incorporates paragraph 234 of the Report of the Working Party on the Accession of China<sup>109</sup>), which forms part of the terms of accession agreed between China and the WTO and is an integral part of the *Marrakesh Agreement Establishing the World Trade Organization*. Finally, the grants, loans, and other incentives appear to be inconsistent with Article III:4 of the GATT 1994 to the extent that the measures benefit Chinese-origin products but not imported products.

We look forward to receiving your reply to the present request and to fixing a mutually convenient date for consultations.

Sincerely,

David P. Shark  
Chargé d'affaires, a.i.

cc: H.E. Mr. Mario Matus, Chairperson, Dispute Settlement Body  
H.E. Ms. Karen Tan, Chairperson, Council for Trade in Goods  
Mr. Jun Kazeki, Chairperson, Committee on Subsidies and Countervailing Measures  
Ms. Valeria Csukasi, Chairperson, Committee on Agriculture  
Dr. Mohammad Saeed, Chairperson, Committee on Market Access

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108 WT/L/432.

109 WT/MIN(01)/3.

## Statement of Available Evidence

1. *Circular of the General Office of the State Bureau of Quality Supervision, Inspection and Quarantine for Issuing the “Measures for the Control of Evaluation of Chinese Famous-Brand Products (for Trial Implementation);”*<sup>110</sup>,
2. *Circular on Carrying Out Evaluation of Products to Be Recognized as China World Top Brand;*<sup>111</sup>
3. *Circular on Application of China World Top Brands in 2006;*<sup>112</sup>
4. *Circular on Application of China World Top Brands in 2008;*<sup>113</sup>
5. *Measures for the Administration of Chinese Name-Brand Products;*<sup>114</sup>
6. *Product Quality Law of the People’s Republic of China;*<sup>115</sup>
7. *Decision of the State Council Concerning Several Issues on Further Strengthening Product Quality Work;*<sup>116</sup>
8. *Notice Concerning the Issuing of Opinions on Promoting the Brand-Driven Strategy & Its Incentive Measures;*<sup>117</sup>
9. *Notice Concerning Printing and Distributing the Implementation Regulation on Economic Development Fund Supporting Industrial Technology Progress in Futian District Shenzhen;*<sup>118</sup>
10. *Notice of Gansu Provincial People’s Government Concerning Printing and Distributing Incentive Methods for Enterprises Entitled with Famous Brand Products in Gansu Province;*<sup>119</sup>

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110 Guozhijian [2001] No. 32.

111 GZJZ [2005] No. 95.

112 ZJZH [2006] No. 11.

113 ZJZH [2008] No. 23.

114 AQSIQ Order No. 12 (December 29, 2001).

115 Adopted at the 30<sup>th</sup> Meeting of the Standing Committee of the Seventh National People’s Congress on February 22, 1993.

116 Issued by Document Guofa No. 24 [1999] of the State Council on December 25, 1999.

117 FFB [2007] No. 274.

118 FBF [2007] No. 53.

119 GZF [2007] No. 72.

11. *Notice on Methods of Implementing Brand Praise and Incentive for Industrial Enterprises in Guangxi Zhuang Autonomous Region;*<sup>120</sup>
12. *Several Related Policies on Implementation of Guiyang's Science and Technology Development Planning During the "Eleventh Five-Year Plan" (2006-2010);*<sup>121</sup>
13. *Opinions of the Party Committee and People's Government of Jinhua City on Promoting the Building of "Jinhua Brand;"*<sup>122</sup>
14. *Circular of Jiujiang Municipal People's Government on Adjusting and Enriching the Incentive Policy for Creating a City of Brand;*<sup>123</sup>
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