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ABBREVIATIONS

APEC	-	Asia-Pacific Economic Cooperation
APEDA	-	Agricultural Products Export Development Authority
ARFs	-	Automatic Registration Forms
Art.	-	Article
ASEAN	-	Association of South-East Asian Nations
BL	-	Bidding Laws
BOFT	-	Bureau for Fair Trade for Imports and Exports
CAAC	-	General Administration of Civil Aviation
CBRC	-	China Banking Regulatory Commission
CCC	-	China Compulsory Certification
CEPA	-	Comprehensive Economic Partnership Agreement
CERC	-	China Electricity Regulatory Commission
CIRC	-	China Insurance Regulatory Commission
CPC	-	Communist Party of China
CQC	-	The China Quality Certification Centre
CSRC	-	China Securities Regulatory Commission
DFEC	-	Department of Foreign Economic Cooperation
DITEA	-	Department of International Trade and Economic Affairs
DSB	-	Dispute Settlement Body (WTO)
EEA	-	European Economic Area
EFTA	-	European Free Trade Association
EPA	-	Economic Partnership Agreement
EU	-	European Union
FDI	-	Foreign Direct Investment
FTAs	-	Free Trade Agreements
GAC	-	General Administration of Customs
GAT	-	General Administration of Taxation
GDP	-	Gross Domestic Product
GIs	-	Geographical Indications
GPA	-	Agreement on Government Procurement GPA
HS	-	Harmonised System
IBII	-	Investigation Bureau for Industry Injury
IP	-	Intellectual Property
IPR	-	Intellectual Property Rights
ISO	-	International Organization for Standardization
IT	-	Information Technology
ITES	-	Information Technology Enabled Services

MLPS	-	The Multi-Level Protection Scheme
MOA	-	Ministry of Agriculture
MOF	-	Ministry of Finance
MOFCOM	-	Ministry of Commerce
MPS	-	The Ministry of Public Security
NAFTA	-	North American Free Trade Agreement
NBER	-	National Bureau of Economic Research
NCAC	-	National Copyright Administration of China
NDRC	-	National Development and Reform Commission
NME	-	Non-Market Economy
NPC	-	National People's Congress
NPK	-	Sodium, Phosphorous, Potassium
NT	-	National Treatment
PBC	-	The People's Bank of China
PPP	-	Purchasing-power parity
PRC	-	People's Republic of China
PSI	-	Pre-shipment inspection
QIP	-	Quarantine Inspection Permit
RMB	-	Renminbi
ROO	-	Rules of Origin
SAARC	-	South Asian Association for Regional Cooperation
SAC	-	The Standardization Administration of China
SAFE	-	State Administration of Foreign Exchange
SAIC	-	The State Administration of Industry and Commerce
SAT	-	Chinese State Administration of Taxation
SCNPC	-	Standing Committee of the National People's Congress
SEZs	-	Special economic zones
SIPO	-	State Intellectual Property Office
SOEs	-	State-owned enterprises
SPC	-	Supreme People's Court
STE	-	State-trading enterprises
TBT	-	Technical Barriers to Trade
TCF	-	Textiles, clothing and footwear
TRIMs	-	Trade-Related Investment Measures
TRIPs	-	Trade-Related Aspects of Intellectual Property Rights
TRQs	-	Tariff-rate quotas
USTR	-	United States Trade Representative
VAT	-	Value-added Tax
WIPO	-	World Intellectual Property Organization
WLANs	-	Wireless Local Area Networks

WTO - World Trade Organization

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SUMMARY OF THE REPORT & AGENDA FOR NEXT REPORT

- During the concerned quarter China's GDP was recorded as 7.5%, a decline from 7.7% that was recorded during the previous quarter and the industrial output was at 8.6%, which was below the estimates
- China's current account surplus recorded an increase of 48.2 billion US dollars during this quarter. The country's international reserve assets were also found to have increased by 203.6 billion US dollars.
- China's outbound investment rose by 20% in the first five months of the Year to \$34.3 billion in comparison to 27.4 % when compared to the corresponding period last year.
- The 27th Session of the China-EU Trade and Economic Joint Committee took place in Beijing in June, 2013.
- The NDRC and the MOC also issued guidelines that would encourage FDI into environment friendly and labor intensive industries in the less developed central and western regions of China so as to ensure better utilization of resources and also to improve the services. The guidelines will cover 22 provinces, municipalities and autonomous regions with 500 detailed articles and it would be effective from June 10, 2013.
- The next quarterly report will examine the escalating trade tensions between the European Union and China and how these disputes may have a bearing on India.

**TRADE POLICY MONITORING REPORT OF CHINA FOR THE QUARTERLY
PERIOD: APRIL 2013 – JUNE 2013**

I. INTRODUCTION

This is the ninth Quarterly Trade Policy Monitoring Report prepared by the Centre for International Trade and Economic Laws (CITEL), Jindal Global Law School. This report will monitor and discuss the trade and macroeconomic policy developments that took place in China during the quarter April- June, 2013.

II. ECONOMIC ENVIRONMENT

In Q1 of 2013, China's GDP was recorded as 7.5%, a decrease from the 7.7% GDP that was recorded during the previous quarter. As derived from the GDP figures, industrial output was 8.9 % below expectations for a 9.1 % rise. The growth of fixed-asset investment, a measure of government and private spending on infrastructure, stood at 20.1 % during the period, down 0.8 %age point over the first quarter of the year.¹ Retail sales of the quarter were up 13.3%, above expectations for a 12.9% rise. It was an increase of 0.3 % from that of the previous quarter.²

II.A. FISCAL REVENUE

China's fiscal revenue grew 6.1 % YoY to 1.14 trillion Yuan (\$183.66) in April, while its expenditure jumped 18 % from a year ago. The Chinese government spent 930.8 billion Yuan (\$151.55 billion) in April, while its income was 1.14 trillion Yuan. China's fiscal revenue continued a trend of slow growth in May due to tempered economic expansion and the country's tax cutting policies.³

Total fiscal revenue grew 6.2 % YoY to 1.27 trillion Yuan (204.84 billion U.S. dollars) in May which was slightly up from the 6.1 % growth seen in April. The country's fiscal spending for the same month climbed 12 % YoY to 1.03 trillion Yuan which resulted in a surplus of 248 billion Yuan in the month. In June fiscal revenue growth jumped to 12.1% y/y compared with 6.2% growth in May. The revenue was recorded to be 1.24trillionyuan.The fiscal expenditure grew by 3 % in the same period and it was recorded to be 1.31 trillion Yuan.⁴

¹ *Chinese Q2 GDP Rises 7.5% In Line With Expectations, But Industrial Production Misses*, BUSINESS INSIDER, 15 July 2013, <http://www.businessinsider.com/china-q2-gdp-2013-7>

² *Id.*

³ *Id.*

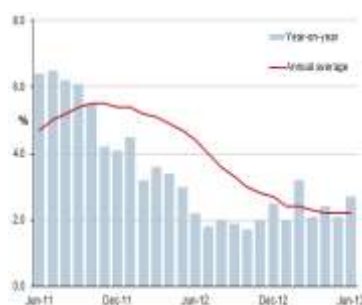
⁴ *Slow growth continues for China's fiscal revenue*, CHINA.ORG.CN, (June 9, 2013), http://www.china.org.cn/business/2013-06/09/content_29087983.htm

II.B. INFLATION

Consumer inflation increased to 2.4 % in April from March's 2.1 % due to higher food costs. The rise is largely in line with the market forecast of around 2.3 %.⁵ CPI advanced 2.1% YoY in May off from 2.4% in April. The figure was below the market forecasts of around 2.5 %. China's consumer inflation for May grew less than the market expected, slowed by slumping vegetable prices. On a monthly basis, the CPI for May edged down 0.6% from April compared to a rise of 0.2% in April from March.⁶ In June the inflation rate was recorded at 2.70 % up from 2.1 % in May, the highest rate since February. It was above the market forecast of 2.6%. The inflation has rebounded to a four month high partly due to a credit surge which occurred earlier this year. The acceleration was mainly brought about by the rise in food prices which surged 4.9 % month on month in June.⁷

China's producer price index (PPI), which measures inflation at the wholesale level, fell 2.7 % YoY in June, in comparison to a decline of 2.9% which was observed in May which was steepest drop in seven months.⁸ The figure also falls short by 0.6 % from that of April. In April it fell by 2.6 % YoY. This was above the 2.2 % market forecast and was the lowest figure recorded ever since last November indicating weak market demand. In May the PPI was accompanied by 2.1 % rise in inflation.⁹

Table I:



Note: Year-on-year and annual average variation of consumer price index in % at the end of Q1; Source: National Bureau of Statistics of China.

II.C. FDI

FDI influx into China in May was recorded as \$9.26 billion, a rise of 0.29 % YoY. This was the fourth consecutive monthly increase since February when China gradually started to recover in its FDI after declining for eight consecutive months since June 2012. As per the data of the Central Bank its foreign-

⁵ *China inflation rate up to 2.4% in April*, TRADING ECONOMICS, 5 September 2013, <http://www.tradingeconomics.com/articles/05092013085315.htm>.

⁶ *China's annual inflation rate down to 2.1% in May*, TRADING ECONOMICS, 6 September 2013, <http://www.tradingeconomics.com/articles/06092013130227.htm>.

⁷ *China Inflation Rate*, TRADING ECONOMICS, 9 September 2013, <http://www.tradingeconomics.com/china/inflation-cpi>.

⁸ *China's inflation grows 2.1% in May*, XINHUA, 6 July 2013, http://news.xinhuanet.com/english/business/2013-06/09/c_132443768.htm.

⁹ *China's inflation rises 2.4% in April*, CHINA DAILY, 9 May 2013, http://usa.chinadaily.com.cn/business/2013-05/09/content_16487147.htm.

exchange purchases rose only by 67 million Yuan in May in comparison to the 294 billion Yuan in April.¹⁰ FDI in the month of June jumped 20.12 % from a year ago which was observed as the quickest gain since March 2011; \$14.4 billion was recorded as the FDI for the month. This indicates the factor that the investors are still confident about investing in China in spite of the slow rate at which the economy is progressing. In H1 china's FDI was totalled to \$61.98 billion, up 4.9% YoY.¹¹

II.D. EXCHANGE RATE

In April 2013, the U.S dollar per one Chinese Yuan monthly average was recorded to be 0.161611. In May 2013, the same was recorded to be 0.162789 and in March 2013 it was 0.162936.¹² During the second quarter a deficit of 1.6 billion dollars was recorded in the capital and financial accounts, a fall from the surplus which was observed in the previous quarter. However the current account maintained a surplus of 48.2 billion US dollars. The country's international reserve assets were also found to have increased by 203.6 billion US dollars in the first half.¹³ In April-end, Yuan-denominated lending dropped to 792.9 billion Yuan down from 1.06 trillion Yuan in March. The amount marked an increase of 111.1 billion Yuan over the same period last. New loans in foreign currencies also increased by 13.6 billion U.S. dollars in the same month.¹⁴ RMB and foreign currency loans in May amounted to 72 trillion Yuan, increase of 15.1% YoY. At the end of May, outstanding foreign currency loans were registered to be US\$773.7 billion, up 36.7 % YoY. Further, foreign currency loans increased by US\$5.8 billion.

Notably by June-end, the RMB and the foreign currency loans were reported to be 72.87 trillion Yuan, increase of 15.1% YoY. Outstanding RMB loans have risen by 14.2% YoY to 68.08 trillion Yuan. However it was a deceleration of 0.3% from that of the previous month and of 0.8% from that of the same period in the previous year. In June, RMB loans also grew by 860.5 billion Yuan YoY. The outstanding foreign currency loans for the same period amounted to US\$775.8 billion, rise of 33.2% YoY.

At the end of April, Yuan-denominated deposits decreased by 100.1 billion Yuan, sending the outstanding account of Yuan deposits to 97.83 trillion Yuan by the end of the month.¹⁵ May end saw the outstanding amount of RMB and foreign Currency deposits recorded as 102.04 trillion Yuan, rise of 16.2% YoY. RMB deposits were calculated to be 99.31 trillion Yuan, a rise of 16.2% YoY. it is unchanged from that of the previous month but has increased by 4.8% from that of the same period last year. These

¹⁰ *China's FDI rises by 0.29% in May*, CHINA DAILY, 18 June 2013, http://www.chinadaily.com.cn/business/2013-06/18/content_16632769.htm (last visited on 11 August 2013).

¹¹ *China's FDI inflow edges up 0.4% in April*, XINHUA, 16 May 2013, http://news.xinhuanet.com/english/china/2013-05/16/c_132386290.htm.

¹² *Monthly average*, X-RATES, <http://www.x-rates.com/average/?from=CNY&to=USD&amount=1&year=2013>.

¹³ *China sees capital account deficit in Q2*, XINHUA, 31 July 2013, http://news.xinhuanet.com/english/business/2013-07/31/c_132591242.htm.

¹⁴ *China's April new loans drop*, XINHUA, 10 May 2013: http://news.xinhuanet.com/english/china/2013-05/10/c_132373531.htm.

¹⁵ *China's April new loans drop*, XINHUA, 10 May 2013, http://news.xinhuanet.com/english/china/2013-05/10/c_132373531.htm.

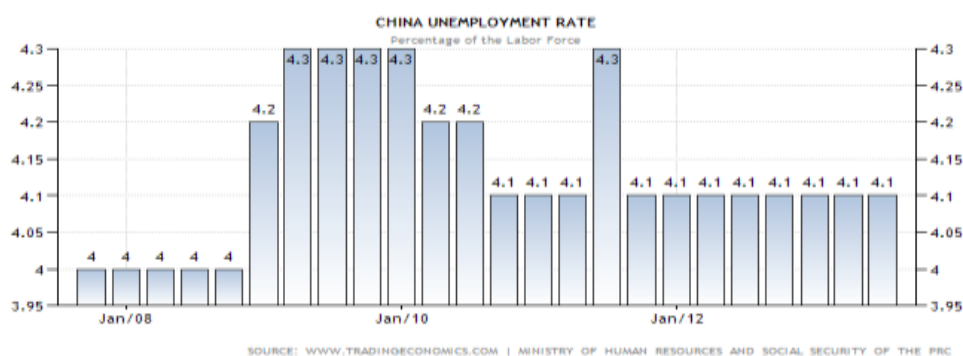
deposits have risen by 1.48 trillion Yuan in May, up 259.91 billion Yuan YoY. The foreign currency deposits amounted to US\$440.8 billion, up 16.7% YoY.¹⁶

In June-end the outstanding amount of RMB and foreign currency deposits has been recorded as 103.64 trillion Yuan, increase of 14.1% YoY. RMB deposits alone were calculated to be 100.91 trillion Yuan, a rise of 14.3% YoY. It is a decrease of 1.9% point from that of the previous month but an increase of 0.9% point from that of previous year. These deposits have risen by 9.09 trillion Yuan in H1 which is an increase of 1.71 trillion Yuan from that of the same period last year. The foreign currency deposits at the end of June were recorded as US\$441.5 billion, rise of 9.0% YoY.¹⁷

II.E. EMPLOYMENT RATE

Unemployment rate in China remained unchanged at 4.10 % in the second quarter of 2013 from 4.10 % in the first quarter of 2013.¹⁸

Table II:



III. IMPORTS & EXPORTS

In April 2013, China's import and export totaled US\$ 355.96 billion with a YoY growth of 15.7%. China's export was US\$ 187.06 billion and its import was US\$ 168.90 billion, up by 14.7% and 16.8% respectively. China saw a trade surplus of US\$18.16 billion.¹⁹

In May the foreign trade growth of china declined sharply. This collapse is however mostly attributable to the fact that the government has intercepted practices of overstating export figures in order to bypass currency controls, bring money into the country and bet on an appreciation of the Yuan. Total foreign trade volume grew 0.4 % YoY in May to 345.1 billion U.S. dollars, a significant pullback from the 15.7-% gain seen in April. Exports inched up merely 1 % YoY to 182.77 billion U.S. dollars, while imports

¹⁶ The People's Bank of China, *Financial Statistics- May 2013*, [http://www.pbc.gov.cn/image_public/UserFiles/english/upload/File/NsPdf\(1\).PDF](http://www.pbc.gov.cn/image_public/UserFiles/english/upload/File/NsPdf(1).PDF).

¹⁷ *China's financial statistics report in first half of 2013*, CHINA ABOUT, 14 July 2013: <http://www.chinaabout.net/chinas-financial-statistics-report-in-first-half-of-2013/>.

¹⁸ *China Unemployment Rate*, TRADING ECONOMICS, <http://www.tradingeconomics.com/china/unemployment-rate>.

¹⁹ Ministry of Commerce People's Republic of China, *Brief statistics on China's import and export in April 2013*, <http://english.mofcom.gov.cn/article/statistic/BriefStatistics/201305/20130500125445.shtml>.

declined 0.3 % to 162.34 billion U.S. dollars, leaving China with a surplus of 20.43 billion U.S. dollars for the month.²⁰

In the month of June, total exports expanded 8.6% YoY to US\$26.48billion. However, total imports rose 6.8% from a year earlier to US\$23.23billion. The trade balance of this month was favourable, amounting to US\$3.25billion.²¹

IV. TRADE AGREEMENTS AND ARRANGEMENTS

IV.A FREE TRADE AGREEMENT BETWEEN CHINA AND ICELAND

In April 2013, the Prime Minister of Iceland and the Minister of Commerce of the People's Republic of China signed on behalf of their own governments, the Free Trade Agreement in the great hall of the people in Beijing. This is the first FTA China has signed with a European country. It covers trade in goods, services and investments. According to the FTA, Iceland would implement zero tariffs from the date when the FTA is being enforced on industrial and fishery products imported from China (which accounts to 99.77% of China's total exports to Iceland). On the other hand, China would implement zero tariffs on goods fewer than 7,830 tariff numbers imported from Iceland where these products amount to 81.56% of China's total imports from Iceland which include aquatic products.

However, both countries decided to impose zero tariffs after the completion of the FTA where zero tariffs would apply to goods of 96% by tariff number or 100% by trade volume. Moreover, China and Iceland made several commitments to the WTO on trade in services and have set specific requirements for investment, movement of natural persons, sanitary and phytosanitary measures, technical barriers to trade and rules of origin.²²

IV.B. PRESS BRIEF ON CHINA'S TRADE RELATIONS WITH INDIA, PAKISTAN, SWITZERLAND AND GERMANY

In May 2013, Vice Minister Jiang Yaoping briefed the media about the economic and trade activities of Premier Li Keqiang's visit to India, Pakistan, Switzerland and Germany in 19-27 May, and about the economic and trade relations between China and the said four countries. Chinese and German enterprises will sign trade and economic cooperation agreements in areas such as automobiles, machinery, chemicals and shipbuilding. Regarding Sino-Indian trade imbalance, trade imbalance was primarily caused due to economic and structural differences persisting between both the countries.

However, China adopted positive measures including sending a three trade delegation to visit India, signing with India contracts and intention contracts worth US \$ 1.65 billion, financing agreement worth

²⁰ *Economic Annual Report: China*, SINOPTIC,

http://www.sinoptic.ch/embassy/textes/eco/20130702_China_Annual.economic.report.pdf.

²¹ Ministry of Commerce People's Republic of China, *Brief statistics on China's import and export in June 2013*, <http://www.mof.gov.tw/engWeb/ct.asp?xItem=72134&ctNode=2284>.

²² Ministry of Commerce People's Republic of China, *The Free Trade Agreement between the Government of the People's Republic of China and the Government of Iceland was Signed in Beijing*, <http://english.mofcom.gov.cn/article/newsrelease/significantnews/201304/20130400092643.shtml>

of US \$ 11.64 billion and a project contracting worth of US \$ 3.5 billion and will keep sending special trade delegations in 2013.

Substantial progress had been made China-Switzerland FTA cooperation, and both parties have a clear willingness to conclude negotiations after nine rounds of negotiations hoping to reach mutually beneficial and win-win agreements as soon as possible.²³

IV.C. MINISTER OF COMMERCE EXCHANGE VIEWS ON TRADE RELATIONS WITH NETHERLANDS

In May 2013, the Minister of Commerce of China met with the Minister for foreign trade and development cooperation of Netherlands in Beijing to exchange views on bilateral economic and trade relations and issues. China attached great importance to develop economic and trade relations with Netherlands, and has been its second largest trading partner in EU in 10 consecutive years since 2003. The Sino-Dutch bilateral trade volume had, notably, reached US\$ 67.6 billion in 2012. However, by the end of March in the current year, the Netherlands' accumulated investment in China amounted to more than US\$13 billion. Moreover, China's investment in Netherlands was maintained at a good pace and had led to a bright spot in Sino-Dutch economic and trade relations.

IV.D. CHINA- SWITZERLAND FREE TRADE AGREEMENT

In May 2013, the Minister of Commerce of China, in an interview, pointed out the completion of China-Switzerland FTA was a significant event as it furthered economic and trade cooperation. The agreement of China-Switzerland FTA was initiated in 2010 but has shown resolution and confidence of the two parties to expand the ambit of economic globalization and regional economic integration. The China-Switzerland FTA was 'most comprehensive' as the proportion on zero tariff was large. Where Switzerland would apply zero tariff on 99.7% of imports from China, China would reciprocate by apply zero tariff on 99.7% of imports from Switzerland. Hence, a total of 99.99% were granted low tariff treatment by Switzerland and 96.5% imports were granted low tariff treatment by China. Moreover, the agreement had provisions in other areas such as environment, cooperation on labor and employment, IPR, information exchange on government procurement and competition.²⁴

IV.E. 13TH SESSION OF CHINA-MONGOLIA JOINT COMMITTEE ON TRADE, ECONOMICS, SCIENCE AND TECHNOLOGY

The 13th Session of the China-Mongolia Joint Committee on Trade, Economy, Science and Technology took place in May. Mongolia is known to have expressed its desire to sign the Agreement on Chinese Skilled Workers to Work in Mongolia and the Agreement on Avoiding Double Collection on Insurance Payment in order to foster a lively environment for enhancing bilateral trade and cooperation between the

²³ Ministry of People's Republic of China, *Vice Minister Jiang Yaoping Made a Briefing on Premier Li Keqiang's Itinerary in His Visit to Four Countries in EU and Asia*,

<http://english.mofcom.gov.cn/article/newsrelease/significantnews/201305/20130500137765.shtml>

²⁴ Ministry of People's Republic of China, *MOU on Completing Sino-Swiss FTA Negotiations was Signed by China and Switzerland*, <http://english.mofcom.gov.cn/article/newsrelease/significantnews/201305/20130500140824.shtml>

two countries. Both parties believed that the 13th Session laid a foundation for further enhancement of bilateral economic and trade cooperation and decided to improve on the mechanisms being adopted by the committee.²⁵

IV.F. MOFCOM SIGNS CROSS-STRAITS AGREEMENT ON SERVICE TRADE IN SHANGHAI

Association for Relations Across the Taiwan Straits and the Straits Exchange Foundation signed a Cross-Straits Agreement on Service Trade in Shanghai in June, 2013. The MOFCOM spokesperson commented on it to be another ECFA agreement which enriched the connotation of cross straits and the scope of economic cooperation. The resulting agreement was in accordance with Article 4 of the ECFA and Article 5 of the GATS, and allowed for high level of openness. Signing of the agreement to be an important development as it speeded up the normalization of cross-strait service and liberalization. It also improved international competitiveness, deepening cross-strait cooperation in the service industry to achieve complementary advantages, enlargement of benefits brought to people across straits, the improvement of welfare for compatriots from both sides of the straits and for promoting cross-strait economic integration to create cross-strait economic prosperity.²⁶

IV.G. CHINA-EU TRADE & ECONOMIC JOINT COMMITTEE

In June 2013, the 27th Session of the China-EU Trade and Economic Joint Committee took place in Beijing where China and EU discussed and reached a consensus about five issues pertaining to China – EU investment agreement negotiation, promoting development of trade in goods, enhancing trade in services, improving property cooperation and taking trade remedy measures. There is immense potential in the hi-tech product trade where both the sides will be able to achieve considerable progress in bilateral high-tech trade via mechanisms such as the China-EU high-tech trade work group.

EU is all set to create an open and friendly environment for Chinese enterprises in Europe. China on the other hand will open its service industry to the world whereas the EU will open itself in the field of government procurement. Also, China-EU plan to launch their investment treaty negotiations.²⁷

IV.H. CHINA-JAPAN-ROK SEMINAR

China-Japan-ROK Seminar was held in Weihai, Shandong Province in June, where representatives from the governments, academics and industries exchanged views on cooperating with each other and of Asia-Pacific economic partnership, trade in goods, trade in services and investment with the FTA. The seminar provided useful advice for the ongoing China-Japan-ROK FTA negotiation and has laid a forum for the public and companies to know more about the China-Japan-ROK FTA. The FTA's which were being

²⁵Ministry of People's Republic of China, *'Giving Play the Role of China-Mongolia Joint Committee on Trade, Economy, Science and Technology, and Promoting Mutually Beneficial and Win-Win Cooperation in Economy and Trade,*
<http://english.mofcom.gov.cn/article/newsrelease/significantnews/201305/20130500144793.shtml>

²⁶ Ministry of People's Republic of China, *MOFCOM Spokesman Shen Danyang Comments on the Signing of the Cross-Straits Agreement on Service Trade,*
<http://english.mofcom.gov.cn/article/newsrelease/significantnews/201306/20130600174863.shtml>

²⁷ MOFCOM, *27th Session of the China-EU Trade & Economic Joint Committee Takes Place in Beijing,*
<http://english.mofcom.gov.cn/article/newsrelease/significantnews/201306/20130600174813.shtml>

negotiated include China-ROK FTA, China-Japan-ROK FTA, the Regional Comprehensive Economic Partnership Agreement (RCEP), China-GCC FTA and finally China-Australia FTA.²⁸

V. FOREIGN DIRECT INVESTMENT (FDI)

China's outbound investment rose by 20% in the first five months of the Year to \$34.3 billion in comparison to 27.4 % when compared to the corresponding period last year. By the end of June non-financial overseas direct investment rose 29% YoY to \$45.6 billion. The key sectors where Chinese investments have been directed were overseas engineering and contracting projects, energy and mining, household appliances, automotive and financial services.²⁹

After a strong last quarter, Chinese investors spent another \$2.5 billion on FDI transactions in the US in Q1, and completed transactions (within the first six months of 2013) worth USD 4.7 billion, the strongest first half ever recorded. By the end of June, Chinese firms spent almost \$5 billion on M&A and green field projects in the US, with another \$10 billion worth of deals announced or pending.

In Q1 alone, they spent USD 2.46 billion on seven acquisitions and ten green field projects in the United States. Following a trend from previous quarters, private investment continued to be strong in Q1, accounting for more than one third of the total investment value. The number of jobs provided by majority Chinese-owned firms in the US grew to more than 33,000.³⁰

IV. FOREIGN INVESTMENT

In April, 2013 newly approved foreign invested enterprises amounted to 1865, up by 13.93% YoY and the actual use of foreign investment was recorded as USD8.435b, rise of 0.4% YoY. In May the enterprises amounted to 1922, a decrease of 17.31% YoY and the actual use of foreign investment reached USD 9.256b up by 0.29% YoY. The same records for the month of June was observed as 2021, a decrease of 17.31% YoY, and USD14.39% YoY respectively.³¹

The turnover of China's overseas contracted projects increased 15 % YoY to USD76.7 billion. At the end of June 2013, China's accumulated value of overseas contracted projects had amounted to USD 1.07 trillion, with accomplished turnover of USD 713.4 billion.³² SAFE, China's foreign exchange regulator, recently implemented 4 regulations related to the administration of capital for FDI in par with the government's efforts in reducing red tape to increase transparency and promote investment facilitation. In May, it also released Provisions on Foreign Exchange Administration of Inbound Direct Investment by

²⁸ MOFCOM, *Interview of MOFCOM Spokesman Shen Danyang on Economic and Trade Issues*, <http://english.mofcom.gov.cn/article/newsrelease/policyreleasing/201307/20130700192075.shtml>

²⁹ *China's FDI edges up 0.29% in May*, CHINA DAILY, 18 June 2013, http://www.chinadaily.com.cn/business/2013-06/18/content_16632769.htm.

³⁰ *Chinese FDI in the United States: Q2 2013 Update*, RHG.COM, <http://rhg.com/notes/chinese-fdi-in-the-united-states-q2-2013>

³¹ *News Release of National Assimilation of FDI From January to April*, FDI GOVERNMENT CHINA, http://www.fdi.gov.cn/1800000121_49_3855_0_7.html.

³² *Total value of china's newly-signed overseas contracts up 15 % yoy in 13b1*, CHINA SCOPE FINANCIAL, <http://www.chinascopefinancial.com/en/news/post/27198.html>.

foreign investors *via* SAFE Circular 21 which became effective on 13 May. It is an initiative undertaken to simplify and streamline foreign exchange administration regimes in a systematic manner. SAFE has sent a clear signal that China's foreign exchange regulatory regime has been shifted from an approval/verification oriented system to a registration or filing oriented regime. This circular would help in the internationalization of RMB.³³

The NDRC and the MOC also issued guidelines that would encourage FDI into environment friendly and labor intensive industries in the less developed central and western regions of China so as to ensure better utilization of resources and also to improve the services. The guidelines will cover 22 provinces, municipalities and autonomous regions with 500 detailed articles and it would be effective from June 10. The guideline also clearly prohibits the expansion of enterprises with lack adequate capacity or those with large energy consumptions and emissions.³⁴

VII. TARIFFS AND TAXES

China announced its plans to raise its solar power installation target for 2015 to 35 gW from the earlier 21 gW at the end of January 2013. Meanwhile in March, the country's top economic planning body issued a draft set four rates from 0.75 yuan to 1 yuan per kWh as feed-in tariff for solar-power plants that sell electricity to grid operators in a bid to encourage grid integration of solar power. The feed-in tariff policy and government plans are driving explosive growth in photovoltaic power generation same as wind power in which 10 to 15 per cent market share is been procured by foreign players. The key objective is to implement the feed-in tariff policy which will help to ease pressure on cash-strapped solar industry players.³⁵

In May 2013, China agreed to cut import tariffs on Swiss watches by 60 % in 10 years as the two nations seek to expand trade. The reductions will take effect after the countries sign a free-trade agreement which will take place in July. The duties will be cut by 18 % in the first year and around % in the following nine years.³⁶

VIII. ANTI DUMPING MEASURES

See Annex A.

IX. TECHNICAL BARRIERS TO TRADE

See Annex B.

³³*Foreign exchange rules further simplified for foreign direct investment in China*, DLA PIPER, <http://www.dlapiper.com/foreign-exchange-rules-further-simplified-for-foreign-direct-investment-in-china-07-22-2013/>.

³⁴*Chinese regions to attract more FDI*, CHINA DAILY, 16 May 2013, http://www.chinadaily.com.cn/china/2013-05/16/content_16505203.htm.

³⁵*Foreigners see bright prospects in solar energy market*, CHINA DAILY, 15 May 2013, http://www.chinadaily.com.cn/cndy/2013-05/15/content_16499635.htm

³⁶*FTA won't hurt watch sales in HK*, CHINA DAILY, June 21, 2013, http://www.chinadaily.com.cn/hkedition/2013-06/21/content_16642224.htm

X. SANITARY AND PHYTOSANITARY MEASURES

See Annex C.

XI. INTELLECTUAL PROPERTY RIGHTS

In April 2013, Chinese and Mongolian representatives concluded a meeting aimed at strengthening bilateral cooperation in protecting intangible cultural heritage. Further, in April 2013 the State Intellectual Property Office and Tajikistan's Patent Information Center signed a memorandum of understanding on April 8, 2013 for deeper cooperation in documentation and patent examiner training in both countries.³⁷

Further, in May 2013, China launched a campaign against intellectual property right violations as well as counterfeit and substandard products.³⁸ May also saw the State Intellectual Property Office build a mechanism to publish patent statistics concerning strategic emerging industries after three years' effort. According to industry insiders, the patent statistics publishing mechanism, as a key part of the statistical monitoring system governing strategic emerging industries, would help innovators fully grasp the development trend of the field in regard and provide reference for decision-making sectors to formulate policies supporting and guiding a rapid and healthy industry development.³⁹

Later in the month, Chinese government expressed deep regret about the US decision to continually put the country on its 'priority watch list' due to insufficient efforts in intellectual property rights protection.⁴⁰ In order to attract a better pool of applicants, the State Intellectual Property Office gave prospective patent agents an additional week to sign up for the national qualification exam this year, in June.⁴¹

The past decade has seen a near-20-fold increase in the number of trademark agencies in China.⁴² Registered works nationwide totalled some 184 thousand in the first four months of this year, up 67.9% on a YoY basis, reported from a conference to promote works registration held by the National Copyright Administration (NCAC). While the work registration system was gradually welcomed and acknowledged by copyright holders and culture and art circles, problems still exist in practice, including certificate of registration lacking standardization and information report being inconsistent.⁴³ Later, in the month of June, *Shaoxing* yellow liquor, a well-known type of Chinese liquor, was registered as a collective trademark in Japan earlier this month. It marks the first time the liquor has been granted a collective trademark overseas. The trademark will cover genuine manufacturers of the traditional yellow liquor,

³⁷State Intellectual Property Office of PRC, *MOU on Tajikistan cooperation*, available at english.sipo.gov.cn

³⁸State Intellectual Property Office of PRC, *China to fight counterfeit products piracy*, available at english.sipo.gov.cn

³⁹State Intellectual Property Office of PRC, *SIPO built a patent statistics publishing mechanism for strategic emerging industries*, available at english.sipo.gov.cn

⁴⁰ State Intellectual Property Office of PRC, *China regrets US charges of inadequate IPR protection*, available at english.sipo.gov.cn

⁴¹ State Intellectual Property Office of PRC, *IPO seeking more agents to meet demand for patent services*, available at english.sipo.gov.cn

⁴² State Intellectual Property Office of PRC, *Number of trademark agencies surges in China*, available at english.sipo.gov.cn

⁴³ State Intellectual Property Office of PRC, *Registered works hit 184 thousand in 4 months*, available at english.sipo.gov.cn

which is a local specialty of Shaoxing, Zhejiang province, and is believed to be one of the oldest alcoholic drinks in the world.⁴⁴

XII. TRADE POLICY BY SECTOR

XII.A. AGRICULTURE

In April 2013, the prices of Natural Rubber at spot market in both major producing and consuming regions dropped drastically and did not follow the trend in the international rubber market. Meanwhile, the trade volume grew slightly from the previous month.⁴⁵ Further, the Integrated Average Wholesale Price for fishery products was 20.74 yuan per kilo, which has grown by 5.47 % on a yearly basis and 4.35% from the previous month. Moreover, the trade volume of fishery products totaled 718,100 tons, which rose to 2.51 % on a yearly basis. The total transaction value was 14.893 billion yuan which has grown by 5.72% on a yearly basis.⁴⁶

In May 2013, the Integrated Average Wholesale Price for fishery products was 20.89 yuan per kilo, which dropped by 2.67% on a yearly basis and rose by 0.73% from the previous month. However, the trade volume of fishery products totaled 552,300 tons, which caught up by 10.3 % on a yearly basis. The total transaction value amounted to 11.429 billion yuan which had grown by 7.92% on a yearly basis.⁴⁷ In June 2013, the prices of Natural Rubber SCRWF at spot market in major producing and consuming regions spiraled down following the trend of the international market which was inferred from the statistics provided by MOA Bureau of State Farms and Land Reclamation. This has led to slight shrinking of the trade volume from the previous month.⁴⁸ Also, the Integrated Average Wholesale Price for fishery products was 21.45 yuan per kilo which has dropped by 0.72% on a yearly basis and has risen by 2.66% from the previous month. However, the trade volume of fishery products totaled 589,600 tons, up to 4.48 % on a yearly basis. The total transaction value amounts to 12.548 billion yuan, which has grown by 5.65% on a yearly basis.⁴⁹

Beginning from January to May 2013, China's import & export in agriculture totaled US\$ 72.59 billion with a YoY growth of 3.9%. China's agricultural export was US\$ 26.64 billion and its agricultural import was US\$ 45.95 billion, increased by 7.4% and 1.9% respectively. However, China suffered a trade deficit of US\$ 19.31 billion in agriculture, down by 4.9% on a yearly basis.⁵⁰

⁴⁴State Intellectual Property Office of PRC, *Local liquor awarded trademark in Japan*, available at english.sipo.gov.cn

⁴⁵ Ministry of Agriculture of the People's Republic of China, *Natural Rubber Market Prices-April 2013*:

http://english.agri.gov.cn/service/mew/201307/t20130710_19939.htm

⁴⁶ Ministry of Agriculture of the People's Republic of China, *Wholesale Fishery Market Prices for April 2013*:

http://english.agri.gov.cn/service/mew/201307/t20130710_19938.htm

⁴⁷ Ministry of Agriculture of the People's Republic of China, *Wholesale Fishery Market Prices for May 2013*:

http://english.agri.gov.cn/service/mew/201308/t20130801_20046.htm

⁴⁸ Ministry of Agriculture of the People's Republic of China, *Natural Rubber Market Prices-June 2013*:

http://english.agri.gov.cn/service/mew/201308/t20130801_20049.htm

⁴⁹ Ministry of Agriculture of the People's Republic of China, *Wholesale Fishery Market Prices for June 2013*:

http://english.agri.gov.cn/service/mew/201308/t20130801_20050.htm

⁵⁰ Ministry of Agriculture of the People's Republic of China, *China's Agricultural Import and Export in January of 2013*:

http://english.agri.gov.cn/service/mew/201304/t20130402_11144.htm

XII.B. CLIMATE CHANGE

In May 2013, a coal price index was offered as an alternative gauge for the world's largest coal producer. The China Taiyuan Coal Transaction Price Index is the first index of the country based in Shanxi province of China. It was jointly released by China Taiyuan Coal Transaction Centre (CTCTC) and China Finance Corp and will collect samples from 144 monitoring points in the province. This index will be extended to other major coal producing bases such as Inner Mongolia autonomous region and provinces of Shaanxi and Henan. Hence, it will have a huge influence over the commodity's price movement in the international market. Moreover, it will reflect the price changes taking place in the coal production base and will guide the operation of coal production and companies. The improvement in coal spot price indexes will stretch marketization of China's coal industry and lay the foundation for a healthy market in the future.⁵¹

China will also introduce tougher taxes on emissions and use of resources in order to achieve greener industrial development in the future. This would mean a heavier tax burden on companies and higher prices for use of resources. Other measures include innovative pricing mechanisms for resources and more use of renewable energy such as hydro and nuclear power. Also, there will be higher charges imposed on excessive use of electricity.

A round of reforms of the resource tax system which were carried out in November 2011 has assessed oil and gas production on a 5 % tax rate. This revised policy has raised oil production costs to nearly 17 % per barrel whereas these reforms did not include coal which is the source of 70 % of the country's energy generation; which is still being taxed by volume. However, environmental tax would force factories to restrict excessive production and adopt more energy saving technologies. They are expected to eliminate outdated, high-energy consumption and high polluting industries.⁵²

In May 2013, China promised to continue to contribute sustainable energy use and green low carbon development. In addressing the Vienna Energy Forum, the Chinese government has considered resource conservation and environment protection as its basic national policy.⁵³ Environmental experts in China have proposed for a new amended version of the nation's *Atmospheric Pollution Prevention Act* for controlling serious effects of atmospheric pollution. The law was amended 13 years ago and hence has come as a stricter control mechanism because the current financial penalties fail to deter polluting companies.

Later in the quarter, China's environment watchdog vowed to crack down hard on environmental pollution and punish those responsible for irregularities related to air pollution and ground water contamination under a campaign running from May to November 2013. There will be enhanced

⁵¹ *China launches major coal price index*, CHINA DAILY, 24 May 2013, http://www.chinadaily.com.cn/business/2013-05/24/content_16527414.htm

⁵² *Tougher taxes urged on emissions, use of resources*, CHINA DAILY, 7 May 2013, http://www.chinadaily.com.cn/business/2013-05/07/content_16481384.htm

⁵³ *China to further promote energy sustainability*, CHINA DAILY, 30 May 2013, http://www.chinadaily.com.cn/business/2013-05/30/content_16546429.htm

surveillance on coal-burning equipment of electric power plants and steel and cement factories. Moreover, there will also be inspections carried out in sectors pertaining to heavy metal, leather production and electroplate.⁵⁴

China implemented an environment protection assessment in Guangdong province for government officials in order to curb environmental pollution. The departments of supervision and environmental protection have jointly announced to criticize mayors who fail to prevent pollution.⁵⁵ China also planned on speeding reforms in the evaluative system in order to reverse the trend of a deteriorating environment. Also, legislation on natural preservation, carbon trading and ecological progress would soon be introduced. There will be strict possible protection for farmland and systems managing water resources.⁵⁶

XII.C. MANUFACTURING

In June 2013, Shanxian County, under the jurisdiction of Sanmenxia city, undertook the construction of a special automobile manufacturing base to boost the county and city economy. The production base will be constructed on behalf of *Henan Juntun Vehicle Co Ltd* with the support of the municipal government. The County government has signed up a cooperation framework agreement with Juntun for the construction of the manufacturing base. It will become a leading and influential automobile production base in central and western China.⁵⁷

XIII. WTO DISPUTE SETTLEMENT

XIII.A. CHINA — MEASURES IMPOSING ANTI-DUMPING DUTIES ON HIGH-PERFORMANCE STAINLESS STEEL SEAMLESS TUBES (“HP-SSST”) FROM JAPAN-DISPUTE

In December, Japan requested consultations with China with respect to those measures of the MOFCOM that imposed anti-dumping duties on high performance stainless tubes from Japan. Japan argued that these measures were in violation of the provision envisaged in Anti-Dumping Agreement and the GATT. The panel was established by the DSB on 24 May, 2013 and the Panel was composed in July.⁵⁸

XIII.B. CHINA — MEASURES IMPOSING ANTI-DUMPING DUTIES ON HIGH-PERFORMANCE STAINLESS STEEL SEAMLESS TUBES (“HP-SSST”) FROM THE EUROPEAN UNION- DISPUTE

In June, EU requested consultations with China regarding the measures that were set by the MOFCOM which imposed anti-dumping duties on certain high performance stainless steel seamless tubes from EU.

⁵⁴ *Tougher penalties for environmental pollution*, CHINA DAILY, 4 June 2013, http://www.chinadaily.com.cn/bizchina/greenchina/2013-06/04/content_16563578.htm

⁵⁵ *Responsibility mechanism to force officials to address pollution*, CHINA DAILY, 24 July 2013, http://www.chinadaily.com.cn/business/2013-06/05/content_16568140.htm

⁵⁶ *Xi pledges to safeguard the environment*, CHINA DAILY, 25 May 2013, http://www.chinadaily.com.cn/bizchina/2013-05/25/content_16531609.htm

⁵⁷ *Shanxian plans special vehicle manufacturing base*, CHINA DAILY, 24 July 2013, http://henan.chinadaily.com.cn/sanmenxia/2013-06/24/content_16651474.htm

⁵⁸ WTO, China — *Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes (“HP-SSST”) from Japan*, DS 454 (August 20, 2013), available at: http://wto.org/english/tratop_e/dispu_e/cases_e/ds454_e.htm.

EU contended that these measures in violation of the provisions of Anti-Dumping agreement and the Gatt,1994. Japan requested to join the consultations and the same was accepted by China.⁵⁹

XIII.C. CHINA — COUNTERVAILING AND ANTI-DUMPING DUTIES ON GRAIN ORIENTED FLAT-ROLLED ELECTRICAL STEEL FROM THE UNITED STATES-DISPUTE

US requested consultations with China regarding the measures that imposed countervailing duties and anti-dumping duties on grain oriented flat-rolled electrical steel from US as per the MOFCOM. US contended that China was violating its obligations under the SCM Agreement, Anti-Dumping agreement and the GATT, 1994. The Panel circulated its decision to which China appealed and the DSB upheld the Appellate Body Report and the Panel Report as was upheld by the Appellate body report. China stated its intention of implementing the measures that were upheld by the DSB. However it demanded a reasonable period of time for the same. US requested that this reasonable period of time to be determined through a binding arbitration under Ar.21.3(c) of the DSU and this was agreed upon by the Director-General. The award was issued on 3 May, 2013 which determined the “reasonable period of time” for the implementation of the DSU rulings and the time was granted till 31 July, 2013.⁶⁰

⁵⁹ WTO, China — *Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes (“HP-SSST”) from the European Union*, DS460 (August 20, 2013), available at: http://wto.org/english/tratop_e/dispu_e/cases_e/ds460_e.htm.

⁶⁰ WTO, China — *Countervailing and Anti-Dumping Duties on Grain Oriented Flat-rolled Electrical Steel from the United States*, DS414 (August 20, 2013), available at: http://wto.org/english/tratop_e/dispu_e/cases_e/ds414_e.htm.

ANNEXURE A

No	Name of Product	Country against which Anti-dumping duty is levied	Date of Imposition
1.	Electrolytic capacitor	Japan	April 18, 2013
2.	Alloy-Steel Seamless Tubes and Pipes for High Temperature and Pressure Service	EU, Japan & US.	May 10, 2013
3.	Perchloroethylene	EU & US	May 31, 2013
4.	Toluidine	EU	June 29, 2013
5.	Dimethyl Ketone	Japan, Singapore, South Korea & Taiwan	June 9, 2013
6.	Acetone	Japan, Singapore, ROK & Taiwan	June 7, 2013
7.	Sulfamethoxazole	India	June 16, 2013
8.	Pyridine	India & Japan	May 27, 2013
9.	Perchloroethylene	EU & US	May 31, 2013
10.	Trichloromethane	EU	May 21, 2013

ANNEXURE B

Notification/ Date of Notification	Description	Objective
<p>G/TBT/N/CHN/955</p> <p>Feed, feed additives, feed material HS numbers: 23 ICS numbers: 65.120</p> <p>10 April 2013</p>	<p>This standard specifies the basic principles, contents and requirements of labeling for feed, feed additive and feed material labels.</p>	<p>For the protection of animal and human health.</p>
<p>G/TBT/N/CHN/966</p> <p>Medical Devices HS numbers: 90 ICS numbers: 11.040</p> <p>4 JUNE 2013</p>	<p>The product describes the provisions for re-registration of medical devices. The date of adoption of the product is yet to be determined</p>	<p>Simplifying the application materials for re-registration of medical devices</p>
<p>G/TBT/N/CHN/963</p> <p>D-allethrin technical material HS numbers: 38 ICS numbers: 65.100.10</p> <p>14 May 2013</p>	<p>Chapters 3 and 5 of this standard product are mandatory, the rest ones are recommended. The mandatory contents are the requirements, marks, labels, package, storage, transport, safety, and date of acceptance for D-allethrin technical material. This standard applies to D-allethrin technical material consisting of D-allethrin together with related manufacturing impurities. The date of adoption of the product is yet to be determined</p>	<p>To protect the health of human, animals and plants, and reduce the harm to the environment.</p>
<p>G/TBT/N/CHN/965</p> <p>Medical Devices HS numbers: 90 ICS numbers: 11.040</p>	<p>The product prescribes the procedures for special examination and approval of innovative medical devices. The date of adoption of the product is yet to be determined</p>	<p>To encourage the innovation in medical devices.</p>

4 JUNE 2013		
G/TBT/N/CHN/964 New inductive voltage transformers for use with electrical measuring instruments and electrical protective devices at frequencies from 15Hz to 100Hz HS numbers: 8504 ICS numbers: 29.180 14 MAY 2013	Chapters 1, 2, 3, 4 of this standard product are recommended the rest are mandatory. The mandatory contents are the ratings, design, construction and testing for inductive voltage transformers. The date of adoption of the product is yet to be determined	To protect the safety of personal and electric power grids operation.
G/TBT/N/CHN/968 Unicycles with one wheel and one saddle, which is driven by crank directly and played by children up to 6 years of age HS numbers: 9501 ICS numbers: 97.200.01 28 JUNE 2013	Chapter 5 of this standard product is mandatory, the others are recommended. The mandatory contents are the technical requirements for unicycles with one wheel and one saddle, which is driven by crank directly and used by one person. The standard applies to unicycles driven by crank directly and played by children up to 6years of age. It does not apply to unicycles with cycle chains intended for use on public roads and for special use in competitive events. The date of adoption of the product is yet to be determined	To protect the safety and health of children.
G/TBT/N/CHN/974 Domestic gas instantaneous water heater HS numbers: 8419110000; 8403101000 ICS numbers: 97.120; 97.140 28 JUNE 2013	The product mandatory contents of this standard are the material, structure, performance, inspection rules, marks, installation, and packaging for domestic gas water heater. The product will be adopted in September 2013 after circulation by the WTO Secretariat	For the protection of human health, personal and property safety
G/TBT/N/CHN/973	This product standard specifies the safety technical requirements, test methods,	To protect the safety and health

<p>Cradles used to lay infants up to approximately 5 months of age or unable to sit, kneel or crawl up. The internal length of cradle is no longer than 900 mm</p> <p>HS numbers: 9501; 9502; 9503</p> <p>ICS numbers: 97.190</p> <p>28 JUNE 2013</p>	<p>marks, and instructions for cradles. This standard applies to cradles used to lay infants up to approximately 5 months of age or unable to sit, kneel or crawl up. The internal length of cradle is no longer than 900mm. It does not apply to baby rockers, infant carrier, and swing. The product will be adopted in September 2013 after circulation by the WTO Secretariat</p>	<p>of children</p>
<p>G/TBT/N/CHN/971</p> <p>Toys</p> <p>HS numbers: 9501; 9502; 9503</p> <p>ICS numbers: 97.200.50:</p> <p>28 JUNE 2013</p>	<p>This product standard specifies the categories of flammable materials that are prohibited in all toys, and flammable requirements for certain toys which likely contact minor source of ignition. The test methods specified in this standard are applicable to test the flammability of toys or materials under particular test conditions. The test results thus obtained cannot be used for determining these toys or materials pose no potential fire hazard in contacting other sources of ignition. The product will be adopted in September 2013 after circulation by the WTO Secretariat</p>	<p>To protect the safety and health of children.</p>
<p>G/TBT/N/CHN/956</p> <p>Seamless steel tubes for high-pressure chemical fertilizer equipment</p> <p>HS numbers: 7304</p> <p>ICS numbers: 77.140.75</p> <p>10 April 2013</p>	<p>Articles 4.4, 4.6, 5.1, 5.2, 5.3, 5.4.1, 5.4.2, 5.4.4, 5.4.5, 5.5, 5.6.1, 5.7, 5.8.1, 5.9, 5.10.1, 6, 7, 8 of this standard product are mandatory; the others are recommended. The mandatory contents are the dimensions, shapes, weight, technical requirements, test methods, inspection rules, packaging, marking and quality certification for seamless steel tubes for high-pressure chemical fertilizer equipment. The date of adoption of the product is yet to be determined</p>	<p>For the protection of human health, personal and property safety</p>

<p>G/TBT/N/CHN/957</p> <p>Quenching and self-tempering ribbed bars for the reinforcement of concrete</p> <p>HS numbers: 72 ; 73</p> <p>ICS numbers: 77.140.60</p> <p>10 April 2013</p>	<p>Articles 6.4.1, 7.3.5, 7.4.2, 7.5 and dimensions a and b in table 3, appendix A of this standard are recommended, the others are mandatory. The mandatory contents are the code, dimensions, shapes, weight, technical requirements, test method, inspection rules, packing, marking and quality certificate of quenching and self-tempering ribbed bars for the reinforcement of concrete. This standard applies to surface quenching and self-tempering ribbed bars for the reinforcement of concrete, and does not apply to the reproduced steel bars rerolled by finished products and scrap steel. The date of adoption of the product is yet to be determined</p>	<p>To improve the quality of quenching and self-tempering ribbed bars for the reinforcement of concrete, regulate the market and protect the safety of human life.</p>
<p>G/TBT/N/CHN/958</p> <p>Motor vehicles-windscreen wiper and washer systems</p> <p>HS numbers: 8708</p> <p>ICS numbers: 43.040.60</p>	<p>This product standard specifies the performance requirements and test methods for motor vehicle windscreen wiper and washer systems, as well as the method for measuring the sweep field. It applies to the 180° forward field of vision in front of drivers of motor vehicle category M1. The date of adoption of the product is yet to be determined</p>	<p>For the protection of human safety</p>
<p>G/TBT/N/CHN/959</p> <p>Motor vehicles devices for indirect vision</p> <p>HS numbers: 8708</p> <p>ICS numbers: 43.040.60</p> <p>10 April 2013</p>	<p>Chapters 4, 5, and 6 of this standard are mandatory, the others are recommended. The mandatory contents are the technical requirements, test method and installation requirements for indirect vision devices for vehicles of categories M and N, and L (less than four wheels) with at least partially enclosed cab. This standard applies to the installation of indirect vision devices for vehicles of categories M and N, and L with at least partially enclosed</p>	<p>To protect human safety</p>

	<p>cab. The date of adoption of the product is yet to be determined</p>	
<p>G/TBT/N/CHN/970</p> <p>Toys</p> <p>HS numbers: 9501; 9502; 9503</p> <p>ICS numbers: 97.200.50</p> <p>28 JUNE 2013</p>	<p>This product standard specifies the requirements for acceptable structural characteristics of toys, including shape, size, contour, spacing (e.g. rattles, small parts, sharp points and edges, and hinge etc.), as well as the requirements of performance parameters for certain categories of toy (e.g. maximum kinetic energy values for non-resilient-tipped projectiles and minimum tip angles for certain ride-on toys). This standard applies to all toys, i.e. any product or material designed or clearly intended for use in play by children under 14 years of age. It is applicable to toys initially received by consumers, and it also applies to toys after going through reasonable and foreseeable conditions of normal use and abuse test, unless otherwise specifically stated. The product will be adopted in September 2013 after circulation by the WTO Secretariat</p>	<p>To protect the safety and health of children.</p>
<p>G/TBT/N/CHN/961</p> <p>Gas Vehicles</p> <p>HS numbers: 87</p> <p>ICS numbers: 43.020</p> <p>10 April 2013</p>	<p>This standard specifies the mounting requirements, mounting methods and test methods of special equipment for gas vehicles. The date of adoption of the product is yet to be determined</p>	<p>To improve the safety performance of gas cars.</p>
<p>G/TBT/N/CHN/962</p> <p>Buses of class B, class II, class III and special school buses of categories M2 and M3</p>	<p>Chapter 4 of this standard is mandatory, the others are recommended. The mandatory contents are the requirements of strength for the superstructure of buses of class B, class II, class III and special</p>	<p>Safety.</p>

<p>HS numbers: 87 ICS numbers: 43.020</p> <p>10 April 2013</p>	<p>school bus of categories M2 and M3. The date of adoption of the product is yet to be determined</p>	
<p>G/TBT/N/CHN/960</p> <p>Vehicles of M1 category HS numbers: 87 ICS numbers: 43.020</p> <p>10 April 2013</p>	<p>Chapters 4, 5 and 6 of this standard are mandatory, the others are recommended. The mandatory contents are the requirements of identifications for passenger cars and their parts marked on the main parts of the passenger cars. This standard applies to M1 category vehicles. The date of adoption of the product is yet to be determined</p>	<p>To enhance the tracing of the stolen cars.</p>
<p>G/TBT/N/CHN/968</p> <p>Unicycles with one wheel and one saddle, which is driven by crank directly and played by children up to 6 years of age</p> <p>HS numbers: 9501 ICS numbers: 97.200.01</p>	<p>Chapter 5 of this standard is mandatory, the others are recommended. The mandatory contents are the technical requirements for unicycles with one wheel and one saddle, which is driven by crank directly and used by one person. The standard applies to unicycles driven by crank directly and played by children up to 6 years of age. It does not apply to unicycles with cycle chains intended for use on public roads and for special use in competitive events. The product will be adopted in September 2013 after circulation by the WTO Secretariat</p>	<p>To protect the safety and health of children</p>

Source: WTO Documents Online

ANNEXURE C

SPS NOTIFICATIONS (April 2013- June 2013)

Notification/ Date of Notification	Description	Objective
G/SPS/N/CHN/564 8 May 2013	This standard applies to food additive δ -octalactone made from cyclopentanone and propionaldehyde. The adoption of the product is yet to be determined.	food safety

Source: SPS Information Management System