

CHINA'S TRANSITIONAL REVIEW MECHANISM

Communication from Japan

Addendum

The following communication, dated 18 September 2004, is being circulated at the request of the Delegation of Japan.

Additional Questions and Comments of JAPAN on the Implementation by CHINA of its
Commitments on Market Access

4. Specific policies
- (3) Export Restrictions

Japan understands that China implements export licensing measures with regard to exports of coke. Because not enough licences were issued earlier this year, the export price for Chinese coke soared and has left the market affected up to the present date. Japan is greatly concerned about the issuance plan for 2005 which has not been announced yet. Since such a measure is not made effective in conjunction with restrictions on domestic production or consumption, Japan considers that it is not consistent with GATT Article XI and cannot be justified under GATT Article XX(g) regarding the conservation of exhaustible natural resources.

In this context, Japan would like to urge China to clarify its understanding on the consistency of export licensing measures, if any, with WTO rules regarding such export restrictions.
