



**General Council Meeting: 31 July 2002**  
**Agenda item 14: Paragraphs 4.4 and 4.5 of the Doha Implementation**  
**Decisions**  
**Statement by China**

Mr. Chairman, it is disappointing that the CTG failed to fulfill its mandate given by the ministers in Doha, even though the ATC provides the possibility for us to adopt the two proposals. It is noted that at the CTG meeting of 23 July, concerned developed import restraining members recognized that adoption of the two proposals would not require amendment to or re-opening of the ATC, because the ATC merely provides for minimum thresholds for increases in growth rates. Regrettably they chose not to take any appropriate actions. This delegation fully endorsed the comprehensive analysis made by Hong Kong, China and Pakistan.

2. As an important implementation issue of great interest to developing members, and being part and parcel of the Doha Development Agenda, this failure is apparently difficult to reconcile with the ministers' commitments in Doha, which clearly states that we are "determined to take concrete action to address issues and concerns that have been raised by many developing country Members regarding the implementation of some WTO Agreements and Decisions".

3. Mr. Chairman, the developing exporting members have long expressed their concerns over the manner in which the developed restraining members have been implementing various provisions of the ATC. We need not repeat here the details, which are un-disputed facts contained in developing exporting members submissions (G/C/M/368, 304, 325 and 339.) to the CTG to facilitate its examination of the two proposals and in the context of second-stage major review.

4. Mr. Chairman, adopting the two proposals will not only benefit exporting members, but also benefit import restraining members by facilitating their internal industrial adjustment. We all know that one important benefit of the multilateral trading system is to facilitate domestic reform and adjustment. It would be hard to imagine that industrial adjustment in import restraining members would become easier when most of the quotas are to be eliminated on the very end of the implementation period of the ATC, i.e. 1 January 2005.

5. Needless to say, the textile and clothing sector plays a significant role in the economic and social development of developing members. The unsatisfactory implementation of the ATC in the past 7 and a half years has greatly weakened developing members' confidence in the multilateral trading system. The failure of adopting these two proposals will also send a negative

signal to the outside world about the multilateral trading system's ability to address the problems and concerns of developing countries. It will unavoidably affect these members' enthusiasm for other issues of the Doha Agenda.

6. Finally, Mr. Chairman, to restore and maintain developing members' confidence, we urge the GC to make efforts to address this issue.