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CHINA – DOMESTIC SUPPORT FOR AGRICULTURAL PRODUCERS

RECOURSE TO ARTICLE 22.6 OF THE DSU BY CHINA

The following communication, dated 27 July 2020, from the delegation of China to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 22.6 of the DSU.

Regarding the United States' recourse to Article 22.2 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes* ("DSU") in the dispute *China - Domestic Support for Agricultural Producers* (WT/DS511), my authorities have instructed me to inform you that China disagrees with the United States' allegation that China has failed to bring its measures into compliance with its WTO obligations. As detailed in its communication on 18 June 2020 (WT/DS511/15/Add.2), China has brought its relevant domestic measures into full compliance with the DSB's rulings and recommendations.

China maintains that any disagreement on the consistency of its measures taken to comply with DSB's the rulings and recommendations must be resolved in proceedings under Article 21.5 of the DSU, before any level of suspension of concessions or obligations can be assessed under Article 22 of the DSU.

In these circumstances, and pursuant to Article 22.6 of the DSU, China objects to the level of suspension of concessions and related obligations "under the *General Agreement on Tariffs and Trade 1994* or other agreements listed in Annex 1A of the WTO Agreement" proposed by the United States in document WT/DS511/17.¹

Accordingly, as required by Article 22.6 of the DSU², the matter shall be referred to arbitration.

China notes that the United States' recourse to Article 22.2 in this matter is inscribed on the agenda of the DSB for 29 July 2020. China reserves the right to make a statement concerning the US recourse at that meeting.

¹ The United States' request in document WT/DS511/17 is limited to the suspension of concessions or other obligations "under the *General Agreement on Tariffs and Trade 1994* or other agreements listed in Annex 1A of the WTO Agreement". Accordingly, any proposed suspension of concessions or obligations in another sector or under another agreement would not follow the principles and procedures set forth in Article 22.3 of the DSU.

² Pursuant to Article 22.6 of the DSU, "if the Member concerned objects to the level of suspension proposed, ... the matter shall be referred to arbitration".