

To all members of the Telecoms InfoTechnology Forum

**China's WTO Commitments
(Revised following EU agreement – US-China original in
parenthesis)**

China's WTO commitments in the field of telecommunications and the Internet have so far been kept out of public view. The following is an account of China's WTO commitments according to our understanding. THIS IS NOT AN OFFICIAL VERSION, AND IS SUBJECT TO FURTHER CONFIRMATION.

1. Domestic and International (submarine cable) Fixed Wireline Telecommunications (including voice, data, circuit and packet-switched, public services and closed-user groups)

1.1 Up to twenty-five per cent equity in Beijing, Guangzhou and Shanghai **on accession (three years after accession.)**

1.2 Up to thirty-five per cent equity in the Beijing, Guangzhou and Shanghai + 14 other cities¹ **one year (five years)** after accession; value added and paging to be included.

1.3 Up to forty-nine per cent equity across China after **three (six) years.**

1.4 China merely stated that gateway facilities would be established according to the approval of an independent telecommunications authority in accordance with the principles of the WTO's Basic Agreement on Telecommunications (BAT) Reference Paper.

2. Internet and Satellite Services and Other Services

2.1 China gave *verbal* assurances that Internet service provision and satellite services will be opened according the same schedule as for domestic and fixed wireline services (above).

2.2 China also gave a verbal assurance that Internet content services will be opened according to the same schedule as for value-added and paging services (below).

2.3 China agreed to allow cross-border mail order services.

¹ Chengdu, Chongqing, Dalian, Fuzhou, Hangzhou, Nanjing, Ningbo, Qingdao, Shenyang, Shenzhen, Xiamen, Xi'an, Taiyun and Wuhan

3. Mobile Services (voice and data)

3.1 Up to twenty-five per cent equity in the Beijing, Guangzhou and Shanghai markets **on accession (one year after accession.)**

1.2 Up to thirty-five per cent equity in Beijing, Guangzhou and Shanghai + 14 other cities² **one year (three years) after accession.**

1.3 Up to forty-nine per cent equity across China after **three (five) years.**

4. Value Added and Paging (includes email, information services, EDI, value-added facsimile services, code and protocol conversion, data and online transactions processing, and paging services)

4.1 Up to thirty per cent equity in the Beijing, Guangzhou and Shanghai markets **upon accession.**

4.2 Up to forty-nine per cent equity in Beijing, Guangzhou and Shanghai + 14 other cities³ **one year** after accession.

4.3 Up to fifty per cent equity across China after **two years.**

5. Regulation

5.1 China has agreed to the WTO's BAT Reference Paper, including pro-competitive regulatory principles, transparency, independence, national treatment, market access limitations to radio spectrum.

5.2 China agreed to periodic bilateral negotiations with the USA on interconnection fees.

5.3 China agreed topics for the next round of trade negotiations should include future equity ceilings, and further liberalization.

² See footnote 1.

³ See footnote 1.