APPENDIX 1 TO ANNEX VIII

<u>CHINA – LIST OF MFN EXEMPTIONS</u>

Sector or Subsector	Description of measure indicating its inconsistency with Article 8.3	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Maritime Transport	The parties concerned may, through bilateral agreement,	Unspecified.	Unforeseeable.	According to present state of trade between signatories.
International Transport	establish entities to engage in usual business in China either as			-
Freight and Passengers	joint ventures or wholly-owned subsidiaries subject to the			
	Chinese laws on joint ventures and on foreign capital enterprises for ships owned or			
	operated by carriers of the parties concerned.			
	Agreements of cargo sharing.	Algeria, Argentina, Bangladesh, Brazil, Thailand, USA, Zaire.	Subject to the effective duration of the agreements concerned.	According to present state of trade between signatories.