
Amendment to China's Postal Law in line with WTO commitment, lawmakers told

BEIJING, April 20 (Xinhua) -- A proposed law amendment that would ban foreign companies from mail delivery in China conforms with the country's commitments to the World Trade Organization, legislators heard Monday.

The draft amendment to the Postal Law being deliberated by the Standing Committee of the National People's Congress created no new barriers for investment and trade, said Qiao Xiaoyang, of the NPC Law Committee.

An article in the amendment that would ban foreign companies from providing delivery services in China for security reasons has raised concerns that it might breach WTO commitments and threaten the businesses and investments of foreign delivery companies.

Qiao said the amendment would not affect the development of foreign business operations in China, nor did it breach China's WTO commitments.

Under WTO rules, foreign investment concerning service and trade was allowed only in the service sectors that a member promised to open.

On entering the WTO in 2001, China made specific commitments to open express mail services with the exception of "services monopolized by China's postal department according to the law," said Qiao.

According to the Postal Law of 1986, delivery of letters in China was a monopoly of the postal department, he said.

A 1995 regulation on the management of international cargo transport service providers allowed foreign businesses to deal with international express mail, except for private letters.

Therefore, "the amendment article on not opening domestic delivery to foreign investment conforms to China's WTO commitment," he said.

Qiao said foreign companies involved in international express mail, excluding private letters, and their international and domestic deliveries would not be affected. "There's no such thing as creating new investment and trade barriers."

The legal operations of foreign-invested delivery companies in China would continue to enjoy the protection of Chinese law, he said.

The amendment was tabled at 8th Session of the 11th National People's Congress (NPC) Standing Committee for a second reading on Monday, and would be passed at the five-day session if lawmakers agreed.