

Exhibit EU-28



EUROPEAN COMMISSION
Directorate-General for Trade

The Director-General

08 MAI 2007

Brussels,
B2/MHD(2007) 4310

Mr Yi Xiaozhun
Vice Minister
Ministry of Commerce of the
People's Republic of China
2 Dong Chang'An Street
Beijing
China 100731

Dear Vice-Minister

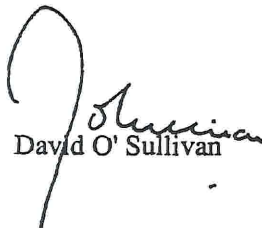
Thank you for your letter of 24 April 2007 which stated your concerns regarding tariff rate quotas on three chicken products (HS references 0210 99 39, 1602 31 and 1602 32 19) and the related GATT article XXVIII negotiations.

The European Commission has paid great attention to the concerns you have raised in various fora, be it after your letter of September 2006 to the EC Delegation in China or following the EU-China Joint Committee in November 2006 chaired by Minister Bo Xilai and Commissioner Mandelson.

We have carefully analysed Chinese concerns but reached the conclusion that the EC cannot recognize the claim of substantial interest given that China does not have a significant share in the trade affected by the modification of the concessions on these products.

The WTO has established clear rules on the way to proceed under GATT Art. XXVIII negotiations: China is not in the same situation as certain other WTO members (Brazil, Thailand) who historically have delivered substantial quantities of chicken meat into the EU and were therefore invited to negotiate compensation in return for lost market access resulting from the tariff increase. Other countries like the US and Argentina would have liked to participate in the negotiations as well but their claim was rejected on similar grounds. I would like to assure you that the Commission has fully complied with WTO rules when conducting the Article XXVIII negotiations on poultry.

Yours sincerely


David O' Sullivan