Analyzing the New Amendments of China’s Foreign Trade Act and its Consequent Ramifications: Changes and Challenges

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China’s accession to the WTO marks China’s rising importance in the international trade community. Following from this, it is of substantial significance to closely examine the latest development in its foreign trade laws. To better understand the impact of WTO accession on China, this article examines the new amendments to China’s Foreign Trade Act (FTA)∗ of April 2004 which governs international trade relating to China. The article commences with a general evaluation of China’s WTO compliance efforts and then through an historic study of China’s foreign trade regime, the author continues with a discussion of China’s amendments to its foreign trade legislation. In the following part, the author further probes into the challenges that lie ahead of China and its trade partners – conceptual areas which thus far have not been deeply analyzed in the legal literature. The article will then proceed to comprehensively analyze the challenges for China and propose a few potential solutions to these problems. Based on this comprehensive study, the author believes that business organizations and individuals play an increasingly important role in the Chinese approach to solving these challenges. Furthermore, the difficulties of China’s transition into a market economy with the wide range of legal and non-legal, national as well as international efforts it encompasses being another area of challenge for China will also be touched upon.

∗ The official term for this statute is the Foreign Trade Law. However, in this article I would like to refer to it as Foreign Trade Act so as to distinguish this specific statute from the overall area of foreign trade law.