

WTO Committee on Import Licensing

PROCEDURES FOR NOTIFICATION AND REVIEW
UNDER THE AGREEMENT ON IMPORT LICENSING PROCEDURES

Note by the Secretariat

At its meeting on 12 October 1995, the Committee on Import Licensing agreed to apply the following procedures for notification and review under the Agreement on Import Licensing Procedures.

(1) Notifications under Article 1.4(a)¹

- Members shall notify the Committee the sources in which the information concerning import licensing procedures are published, and shall make copies of these publications available to the Secretariat.
- Members which were Parties to the Tokyo Round Code shall decide for themselves whether the notifications they have made in this respect under the Tokyo Round Code shall remain valid, and whether only changes that have occurred since should be notified, or new full notifications should be made.
- Members which were not Parties to the Tokyo Round Code shall make full notifications.
- Notifications by current Members shall be made by 12 January 1996.²
- In cases where the publications are not in a WTO official language, Members shall provide, together with such publications, a summary of the notification in one of the WTO languages. Other Members may ask for a full translation if they so wish, or seek any additional information on a bilateral basis. Any issues that cannot be solved on a bilateral basis may be brought to the attention of the Committee.

Copies of publications received shall be kept in the Secretariat for consultation by interested delegations. Members shall be informed periodically by the Secretariat of the notifications received.

¹As concerns notifications submitted for circulation as documents, the Committee agreed that delegations, where possible, would also provide copies of their notifications on diskettes, preferably in WordPerfect 5.2. As regards replies to the Questionnaire on Import Licensing Procedures, delegations would indicate where changes have been made with regard to their previous notifications.

²Informal consultations shall be conducted by the Chairman regarding a time-limit for notifications for future Members.

(2) Procedures for Review under Article 7.1

- The Committee shall review once every two years the implementation and operation of the Agreement on the basis of a factual report prepared by the Secretariat.

(3) Notifications under Article 7.3¹

- Members shall complete the Questionnaire on Import Licensing Procedures by 30 September each year (see Annex).²

- Members shall decide for themselves whether the replies provided previously under the GATT 1947 procedures shall remain valid under the WTO Agreement, and whether only changes that have occurred since should be notified, or new full notifications should be made.

(4) Notifications under Article 8.2(b)¹

- The first notification under Article 8.2(b) by Members which were not Parties to the Tokyo Round Code shall contain the full text of relevant laws and regulations in effect on entry into force of the WTO Agreement for the Member concerned.

- Members which were Parties to the Tokyo Round Code shall decide for themselves whether their full notifications of legislation made under the Tokyo Round Code should remain valid under the WTO Agreement, and whether only changes that have occurred since should be notified, or new full notifications should be made.

- Notifications by current Members shall be made by 12 January 1996.³

- In cases where the legislation is not in a WTO official language, Members shall provide, together with such legislation, a summary of the notification in one of the WTO languages. Other Members may ask for a full translation if they so wish, or seek any additional information on a bilateral basis. Any issues that cannot be solved on a bilateral basis may be brought to the attention of the Committee.

Copies of legislation received shall be kept in the Secretariat for consultation by interested delegations, and Members shall be informed periodically by the Secretariat of the notifications received.

¹As concerns notifications submitted for circulation as documents, the Committee agreed that delegations, where possible, would also provide copies of their notifications on diskettes, preferably in WordPerfect 5.2. As regards replies to the Questionnaire on Import Licensing Procedures, delegations would indicate where changes have been made with regard to their previous notifications.

²Originally circulated as GATT 1947 document L/3515, and subsequently revised by the WTO Committee on Import Licensing at its meeting on 12 October 1995 and issued as document G/LIC/2.

³Informal consultations shall be conducted by the Chairman regarding a time-limit for notifications for future Members.

ANNEX*

QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

The present questionnaire is designed to elicit information on import licensing and similar administrative procedures¹ maintained in and applied to the customs territories to which GATT 1994 applies. If different procedures or methods of licensing or similar administrative procedures are applied to different categories of products, to different countries of supply or to different modes of importation, they should be separately described in respect of each question as relevant.

Outline of Systems

1. Give a brief description of each licensing system as a whole and, with respect to each, reply to the following questions as relevant, placing all of the material with respect to a given system in sequence together, and using cross references as appropriate when elements which have already been described are also present in another system.

Purposes and Coverage of Licensing

2. Identify each licensing system maintained and state what products, appropriately grouped, are covered.

3. The system applies to goods originating in and coming from which countries?

4. Is the licensing intended to restrict the quantity or value of imports, and if not, what are its purposes? Have alternative methods of accomplishing the purposes been considered and if so which? Why have they not been adopted?

5. Cite the law, regulation and/or administrative order under which the licensing is maintained. Is the licensing statutorily required? Does the legislation leave designation of products to be subjected to licensing to administrative discretion? Is it possible for the government (or the executive branch) to abolish the system without legislative approval?

Procedures

6. For products under restriction as to the quantity or value of imports (whether applicable globally or to a limited number of countries or whether established bilaterally or unilaterally):

I. Is information published, and where, concerning allocation of quotas and formalities of filing applications for licences? If not, how is it brought to the attention of possible importers? Of governments and export promotion bodies of exporting countries and their trade representatives? Is the overall amount published? The amount allocated to goods from each country? The maximum amount allocated to each importer? How to request any exceptions or derogations from the licensing requirement?

*The text reproduced below is identical to that in document G/LIC/2.

¹Similar procedures are understood to include technical visas, surveillance systems, minimum price arrangements, and other administrative reviews effected as a prior condition for entry of imports.

- II. How is the size of the quotas determined: on a yearly, six-monthly or quarterly basis? Are there cases where the size of quota is determined on a yearly basis but licences are issued for imports on a six-monthly or quarterly basis? In the latter case, is it necessary for importers to apply for fresh licence on a six-monthly or quarterly basis?
 - III. Are licences allotted for certain goods partly or only to domestic producers of like goods? What steps are taken to ensure that licences allocated are actually used for imports? Are unused allocations added to quotas for a succeeding period? Are the names of importers to whom licences have been allocated made known to governments and export promotion bodies of exporting countries upon request? If not, for what reason? (Indicate products to which replies relate.)
 - IV. From the time of announcing the opening of quotas, as indicated in I above, what is the period of time allowed for the submission of applications for licences?
 - V. What are the minimum and maximum lengths of time for processing applications?
 - VI. How much time remains, at a minimum, between the granting of licences and the date of opening of the period of importation?
 - VII. Is consideration of licence applications effected by a single administrative organ? Or must the application be passed on to other organs for visa, note or approval? If so, which? Does the importer have to approach more than one administrative organ?
 - VIII. If the demand for licences cannot be fully satisfied, on what basis is the allocation to applicants made? First come, first served? Past performance? Is there a maximum amount to be allocated per applicant and, if so, on what basis is it determined? What provision is made for new importers? Are applications examined simultaneously or on receipt?
 - IX. In the case of bilateral quotas or export restraint arrangements where export permits are issued by exporting countries, are import licences also required? If so, are licences issued automatically?
 - X. In cases where imports are allowed on the basis of export permits only, how is the importing country informed of the effect given by the exporting countries to the understanding between the two countries?
 - XI. Are there products for which licences are issued on condition that goods should be exported and not sold in the domestic market?
7. Where there is no quantitative limit on importation of a product or on imports from a particular country:
- (a) How far in advance of importation must application for a licence be made? Can licences be obtained within a shorter time-limit or for goods arriving at the port without a licence (for example, owing to inadvertency)?
 - (b) Can a licence be granted immediately on request?
 - (c) Are there any limitations as to the period of the year during which application for licence and/or importation may be made? If so, explain.

- (d) Is consideration of licence applications effected by a single administrative organ? Or must the application be passed on to other organs for visa, note or approval? If so, which? Does the importer have to approach more than one administrative organ?

8. Under what circumstances may an application for a licence be refused other than failure to meet the ordinary criteria? Are the reasons for any refusal given to the applicant? Have applicants a right of appeal in the event of refusal to issue a licence and, if so, to what bodies and under what procedures?

Eligibility of Importers to Apply for Licence

9. Are all persons, firms and institutions eligible to apply for licences:
- (a) under restrictive licensing systems?
 - (b) under non-restrictive systems?

If not, is there a system of registration of persons or firms permitted to engage in importation? What persons or firms are eligible? Is there a registration fee? Is there a published list of authorized importers?

Documentational and Other Requirements for Application for Licence

10. What information is required in applications? Submit a sample form. What documents is the importer required to supply with the application?
11. What documents are required upon actual importation?
12. Is there any licensing fee or administrative charge? If so, what is the amount of the fee or charge?
13. Is there any deposit or advance payment requirement associated with the issue of licences? If so, state the amount or rate, whether it is refundable, the period of retention and the purpose of the requirement.

Conditions of Licensing

14. What is the period of validity of a licence? Can the validity of a licence be extended? How?
15. Is there any penalty for the non-utilization of a licence or a portion of a licence?
16. Are licences transferable between importers? If so, are any limitations or conditions attached to such transfer?
17. Are any other conditions attached to the issue of a licence:
- (a) for products subject to quantitative restriction?
 - (b) for products not subject to quantitative restriction?

Other Procedural Requirements

18. Are there any other administrative procedures, apart from import licensing and similar administrative procedures, required prior to importation?

19. Is foreign exchange automatically provided by the banking authorities for goods to be imported? Is a licence required as a condition to obtaining foreign exchange? Is foreign exchange always available to cover licences issued? What formalities must be fulfilled for obtaining the foreign exchange?