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**Committee on Import Licensing** 

### MINUTES OF THE MEETING HELD ON 28 SEPTEMBER 2005

Chairperson: Ms. Pamela Cooper (Canada)

The Committee on Import Licensing held its twenty-second meeting on 28 September 2005. The agenda proposed for the meeting, contained in WTO/AIR/2657, was adopted as follows:

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1.	Members' compliance with notification obligations – Developments since the meeting	last
1.1 been	The <u>Chairperson</u> informed the Committee that since the last meeting only 13 notification received under various provisions of the Agreement on Import Licensing Procedure	

notifications under Articles 1.4(a) and/or 8.2(b), seven under Article 7.3 and four under Article 5.1-5.4). As of the date of the meeting, out of a total Membership of 148 (counting each of the EC

member States individually), there remained 23 Members<sup>1</sup> who had not submitted any notification under the Agreement since joining the WTO. Only 116 Members had submitted notifications of laws and regulations (under Articles 1.4(a) and/or 8.2(b)) and a cumulative total of 110 Members had submitted replies to the Questionnaire<sup>2</sup> (under Article 7.3) since the entry into force of the WTO Agreement. For Article 7.3 notifications, the annual deadline of 30 September was not often respected by many Members. Only 51 Members had notified new licensing procedures or changes in existing procedures (under Paragraphs 1-4 of Article 5); of this, one Member (Papua New Guinea) had notified changes to import licensing procedures without submitting the initial notifications of legislation or replies to the Questionnaire. While Article 5.5 of the Agreement allowed Members to submit counter-notifications where a Member considered that another Member had not notified the institution of a licensing procedure or changes in the procedures no such counter-notifications had been received up to the date of this meeting. The Chairperson reminded the Committee that at the end of each year, the Central Registry of Notifications sent to each Member a list of notifications that should be made under all WTO Agreements in the following year and that this was followed up with periodic reminders, twice a year, to those Members who had not fulfilled their notification obligations. In spite of this the compliance with the notification obligations under this Agreement continued to remain low. She therefore urged all those Members who had not yet provided information of their laws and regulations relevant to import licensing, not replied to the annual Questionnaire, or not notified the institution of new import licensing procedures or changes since their previous notifications to do so without further delay. Members who did not apply import licensing procedures or had no laws or regulations relevant to the Agreement were also required to notify the Committee of this fact so that Members could obtain a complete overview of the licensing regimes of all Members. Members which had questions about the notification requirements or which would like assistance were requested to consult the Secretariat.

- 1.2 The representative of the <u>European Communities</u> said that her delegation assigned high priority to notification obligations under the WTO Agreements, including those under the Agreement on Import licensing Procedures. She informed the Committee that her authorities were in the process of finalising its Article 7.3 notification for 2004 and 2005 which she hoped to submit to the Committee shortly. Her delegation regretted the delay in submitting the notification which was due to exceptional circumstances, notably in relation to the EC enlargement.
- 1.3 The representative of the <u>United States</u> said that his delegation appreciated the submissions made by all Members, especially by those who had notified for the first time. Notifying an import licence system, or the lack of one, was central to the obligations of this Agreement. Comprehensive and consistent notification provided for a complete overview of the licensing regimes in place within the trading system. There appeared to be some progress in this respect. His delegation looked forward to receiving notifications from Members that had not yet submitted any, such as Thailand and Belize. He thanked the Chairperson and the Secretariat for their continuing encouragement for compliance, such as providing reminders to Members on notifications and reminding delegations to respond to questions posed by other Members.
- 1.4 The <u>Chairperson</u> said that since the last meeting three documents containing questions concerning licensing systems maintained by Members or replies thereto had been circulated. G/LIC/Q/CHN/15 and G/LIC/Q/TUR/3 contained questions from the United States to China and Turkey and G/LIC/Q/BHR/2 contained replies from Bahrain to the United States. She informed the Committee that the Secretariat had reminded delegations of pending replies to the questions put to them regarding their licensing systems. She requested delegations that were in a position to provide

<sup>&</sup>lt;sup>1</sup> Angola, Belize, Botswana, Central African Republic, Congo, Congo, Dem. Republic, Djibouti, Egypt, Guinea, Guinea Bissau, Israel, Kuwait, Lesotho, Mauritania, Mozambique, Myanmar, Nepal, Rwanda, St. Vincent & the Grenadines, Sierra Leone, Solomon Islands, Tanzania and Thailand.

<sup>&</sup>lt;sup>2</sup> The Questionnaire is annexed to document G/LIC/3.

replies to the questions posed since the last meeting, or prior to it, to do so at this meeting, keeping in mind that under the procedures adopted in this Committee they were required to provide replies in writing to those delegations that had posed questions, with copies to the Secretariat (G/LIC/4). Copies of replies received by the Secretariat would be issued in the same document series.

- 1.5 The representative of the <u>United States</u>, recalling the question posed to China concerning the registration process for scrap and waste material (G/LIC/Q/CHN/15), said that his authorities noted that, as of 1 August 2005, China's Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) had formally reopened the registration process as per Public Notice 103. His delegation would continue to monitor the situation to ensure that procedural issues relating to market access were not a problem.
- 1.6 The representative of <u>Canada</u> said that, as a large exporter to China of various waste and scrap metal Canada too was interested in the registration process for the products concerned. He understood that China had resumed the registration process for scrap and waste material and that there may be an automatic import licence situation where importers would be able to submit applications for import licences on any working day. His delegation would be happy to hear further from China on this issue.
- 1.7 The representative of <u>China</u> thanked the United States for the information provided and hoped that this information would also be useful for Canada.
- 1.8 The representative of <u>Turkey</u> referring to the questions posed by the United States circulated in document G/LIC/Q/TUR/3 said that under the current import regime of Turkey which was in full compliance with Turkey's WTO commitments, MFN rates of 45%, 34% and 36% were applied for imports of rice, rice in the husk and brown rice and that there was no import licensing procedure required for these products. The products were only subject to SPS controls by the Ministry of Agriculture and Rural Affairs as was the case for all other agricultural products. On the other hand, with the Decision on Implementation of Tariff Quotas on Importation of some Forms of Rice, published in the Official Gazette on 27 August 2004, a tariff quota regime had been put into force. This was replaced by a new Decision published in the Official Gazette of 13 September 2005. The aim of the Decision was to facilitate imports into Turkey which was a net importer of rice. According to this system, a tariff rate lower than the MFN rate was applied for a certain amount of rice for importers who would assume to buy an equivalent amount of rice from domestic producers. The tariff quotas would be effective from 1 November 2005 to 31 July 2006. The system was neither discriminatory nor restrictive since all importers were able to benefit from the system for their imports from all countries and the amount and origin of imports would be determined only on the basis of free market conditions. Import licensing was defined as "administrative procedures used for the operation of import licensing regimes requiring the submission of an application or other documentation (other than that required for customs purposes) to the relevant administrative body as a prior condition for importation into the customs territory of the importing Member." Turkey did not foresee any prior condition for the importation of rice at MFN rate. It was for only a certain amount of rice imports that an additional document was needed if the importer wished to benefit from the preferential tariff rate. Therefore, in Turkey's view, the whole importation procedure for rice could not be considered to be within the scope of the Agreement on Import Licensing Procedures<sup>3</sup>. She informed the Committee that this information had also been supplied to the US delegation at the Committee on Agriculture.
- 1.9 The representative of the <u>United States</u> thanked Turkey for the information provided. He informed the Committee that the two Governments were discussing this issue in a variety of fora, hence he would take note of the information provided to be forwarded to his authorities for their information.

<sup>&</sup>lt;sup>3</sup> Turkey's replies to the United States were circulated in document G/LIC/Q/TUR/4.

- 1.10 The representative of the <u>United States</u> thanked Bahrain for the replies to the US questions circulated in document G/LIC/Q/BHR/2 and said that any further comments on the replies would be communicated at a later date.
- 1.11 The representative of <u>Australia</u>, referring to his delegation's interest expressed at the meeting in June 2005 for further information with respect to China's import licensing regime for iron ore (G/LIC/M/21, paragraph 3 (i)), informed the Committee that in bilateral discussions held since then with China Australia had received some clarification of the issue. Australia would continue to monitor the situation on this issue and urged China to submit a formal notification to the Committee as soon as possible in accordance with the provisions of the Agreement.
- 1.12 The representative of <u>China</u> confirmed that the matter had been dealt with in bilateral discussions with Australia and assured that a notification on the import licensing regime would be submitted to the Committee as soon as possible.
- 1.13 The Committee took note of the statements made.

#### 2. Notifications

- (i) Notifications under Articles 1.4(a) and/or 8.2(b) of the Agreement (publications and/or legislation)
- 2.1 The <u>Chairperson</u> recalled that Articles 1.4(a) and 8.2(b) and procedures agreed to by the Committee required all Members to publish their laws, regulations and administrative procedures and notify these to the Committee upon becoming a Member of the WTO together with copies of any relevant publications or laws and regulations. Any subsequent changes to these laws and regulations were also required to be notified.
- 2.2 The <u>Chairperson</u> said that a notification received from India (G/LIC/N/1/IND/8) was before the Committee for review. In addition, a notification from Romania which was received after the airgram was issued would be considered at the next meeting.
- 2.3 The representative of the <u>United States</u>, noting that Belize had not submitted any notification under the Licensing Agreement, requested that it submit the required notifications to the Committee, particularly to cover products requiring import licences, such as beverages.
- 2.4 The Chairperson undertook to transmit the US request to the delegation of Belize.
- 2.5 The Committee <u>took note</u> of the notification and the statements made.
- (ii) Notifications under Article 7.3 of the Agreement (Replies to the Questionnaire on Import Licensing Procedures)
- 2.6 The <u>Chairperson</u> said that notifications received from three Members were before the Committee: Ecuador (G/LIC/N/3/ECU/2), Madagascar (G/LIC/N/3/MDG/2) and Saint Lucia (G/LIC/N/3/LCA/3). In addition, notifications from Armenia, Morocco, People's Republic of China and Hong Kong, China received after the airgram was issued would be considered at the next meeting.
- 2.7 The representative of the <u>United States</u> reiterated the US interest in updated replies to the import licensing questionnaire from two Members: Colombia and Malaysia. As regarded Colombia, he noted that its notification submitted in 2004 (G/LIC/N/3/COL/2) did not include information on the

current non-automatic import licensing requirements on used goods whereas Colombia's original notification submitted in 1996 (G/LIC/N/3/COL/1)) contained information on the non-automatic import licensing requirements on used goods. He therefore requested Colombia to update its replies to the questionnaire to cover products requiring import licences, specifically used goods. As concerned Malaysia, he recalled that the issue had been raised by his delegation at the June 2005 meeting at which the US had requested that Malaysia provide the Committee with updated replies to the import licensing questionnaire to cover products requiring import licences, specifically motor vehicles, construction equipment and paper and wood products. His authorities understood that, in July 2005, Malaysia's Ministry of International Trade and Industry had initiated consultations with stakeholders in order to conduct a review of import licensing requirements on a variety of products. His authorities would appreciate an update on the status of Malaysia's current review of the permit approval policy and also requested Malaysia to inform them as to when it would provide the updated annual notification under Article 7.3.

- 2.8 The representative of <u>Malaysia</u> said that he would transmit the US request to his capital and he hoped to respond to the US delegation at the next meeting.
- 2.9 The Committee took note of the notifications and the statements made.
- (iii) Notifications under Article 5 of the Agreement (new import licensing procedures, changes to existing licensing procedures and reverse notifications)
- 2.10 The <u>Chairperson</u> recalled that under paragraphs 1 to 4 of Article 5, Members which instituted licensing procedures or changes in these procedures were required to notify the Committee within 60 days of publication of these procedures. Paragraph 2 of Article 5 listed the information that should be included in such notifications. Members also had to submit copies of the publications in which this information was published. Furthermore, paragraph 5 of Article 5 provided the possibility of making counter-notifications where a Member considered that another Member had not notified a licensing procedure or changes therein, in accordance with paragraphs 1-3 of Article 5.
- 2.11 The <u>Chairperson</u> said that notifications were received from three Members under this provision: India (G/LIC/N/2/IND/7), Jordan (G/LIC/N/2/JOR/2) and the United States (G/LIC/N/2/USA/2). In addition, a notification from Romania which was received after the airgram was issued would be considered at the next meeting.
- 2.12 The representative of  $\underline{\text{China}}$  said that his authorities were studying the US notification on the steel import licensing system (G/LIC/N/2/USA/2) and that comments or questions, if any, would be communicated at the next meeting.
- 2.13 The Committee took note of the notifications and the statement made.
- 3. Fourth Transitional Review under paragraph 18 of the Protocol on the Accession of the People's Republic of China
- 3.1 The <u>Chairperson</u> recalled that the third transitional review of the implementation by China of the WTO Agreement and of the related provisions of the Protocol, under paragraph 18 of the Protocol of Accession of China (WT/L/432), had been carried out in 2004 by the subsidiary bodies of the WTO, including the Committee on Import Licensing, which had a mandate covering China's commitments under the WTO Agreement or China's Protocol of Accession. The Committee's report to the Council for Trade in Goods on that review had been circulated in document G/LIC/13. The Committee would conduct the fourth transitional review at the present meeting.

- 3.2 The <u>Chairperson</u> informed the Committee that since the last meeting, the Secretariat had received two submissions containing questions and comments on China's import licensing procedures: from the United States (G/LIC/Q/CHN/16) and from the European Communities (G/LIC/Q/CHN/17). The Secretariat had also received after the airgram convening this meeting was issued a communication from China containing information required by paragraph IV:3 of Annex 1A of the Protocol of Accession which had been circulated in G/LIC/W/25. In addition, replies to the Questionnaire under Article 7:3 of the Agreement, submitted by China the day before the meeting, would be before the Committee at its next meeting. Advance copies of this latest notification which would be circulated as G/LIC/N/3/CHN/4 were available, in English, in the meeting room.
- 3.3 The representative of the <u>European Communities</u> welcomed the updated information provided by China on its import licensing procedures. Noting that China had informed the Committee that all data except that for Tariff-Rate Quotas (TRQs) was available on its Ministry of Commerce (MOFCOM) website, she asked whether similar electronic means of publication were available for information on TRQs and, if not, in which form such data could be accessed. Her authorities had also noted that MOFCOM operated an English language version of its website and requested China to confirm that all information regarding import licensing was available, in English. She said that import licensing procedures of China remained of continuing concern as long as the new policy initiatives may result in new border formalities in their implementation. The new automobile policy and the steel industry policy were examples. Her authorities encouraged China to provide details on the implementation of these policies well in advance to allow other WTO Members to comment on them. They also looked forward to receiving replies to their detailed written questions circulated in document G/LIC/Q/CHN/17.
- The representative of China said that he would make the following points in response to the comments and questions presented to his delegation prior to this meeting although, in his view, some of them did not necessarily fall within the mandate of the Committee on Import Licensing. First, on the New Automobile Policy and related issues, his authorities took note of the comments from the European Communities. However, they believed that the Development Policy for Automobile *Industry* which came into effect in 2004 did not include provisions of local content requirement, or other TRIMs and national treatment restrictions which were inconsistent with China's obligations in the WTO. The Measures on Administration of Import of Automobile Components Fulfilling the Characteristics of a Whole Vehicle, was one of the rules to implement the Development Policy for Automobile Industry. The Measures aimed at streamlining the importation and exportation of automobile components into and from China as well as strengthening law enforcement against tariff evasion and circumvention. During the enactment of the *Measures* and other rules implementing the Development Policy for Automobile Industry, including the Implementing Methods for the Administration on Distribution of Branded Automobiles and the Methods for the Administration of Second-hand Automobiles, the relevant authorities of the Government, consulted the entire automobile industry, including foreign-invested enterprises and other interested parties. Public comments were also solicited via internet or other means, where appropriate. Furthermore, a 30-day period from 28 February 2005, the date when the Measures were published, to 1 April 2005, the date when the Measures came into affect was also provided consistent with China's accession commitment regarding transparency. China believed that the process with regard to the Development Policy for Automobile *Industry* and the rules implementing this policy were fair and transparent. Channels for communication and exchanges with Members were always open.
- 3.5 Regarding automatic import licensing on textiles, he said that the coverage of products was reflected in China's Quantitative Restriction notifications to the WTO since its accession. As far as he knew, there were no major changes since then. All products subjected to licensing requirement, including textiles, as well as other licensing requirements were published by way of MOFCOM announcements which were available on the MOFCOM website. Although he was not sure whether each one of them was available in English on the website, even if the announcement was available

only in Chinese, it would not pose a problem since all the products were listed alongside HS numbers. As concerned the *Development Policy for Steel Industry*, he said that it was desirable for enterprises to use advanced technology in new projects and not to develop heavily polluting, resource- and energy consuming projects. The Development Policy for Steel Industry took this rule and sought to further clarify it as an industry policy. Taking into account the future development of the world steel industry and the present stage of development in domestic steel industry in China, the catalogues of outdated production capacity, techniques and products were determined with reference to such criteria as energy consumption level, resource consumption level, quality of the products, environmental pollution level, etc. Advanced and practical equipment referred to those which embodied the development trend of the steel industry with the characteristics of low level energy and resource consumption, high product quality, low level pollution, etc. The criteria and other conditions established in the Development Policy for Steel Industry, including those concerning granting or prohibiting imports, were mandatory in the sense that they would be implemented in the process of verification or approval of an investment project in this field as well as with Customs implementation of trade measures. He said that the policy would be implemented consistent with China's obligations in the WTO and, should there be any specific new trade measures adopted in the future as a result of this policy, his authorities would observe China's obligations in the WTO, including those relating to notification.

- 3.6 Regarding the automatic import licensing administration on iron ore, he informed the Committee that China's QR notification for the year 2005 to be submitted to the Committee on Market Access would contain all iron ore products subject to automatic import licensing at HS 8-digit level. His authorities were also about to notify to the Committee on Import Licensing pursuant to Article 8.2 of the Agreement the MOFCOM-GCA joint announcement No. 9 of 2005 regarding the implementation of the automatic import licensing administration on iron ore. The announcement itself was already available on the MOFCOM website.
- 3.7 Regarding the qualifying criteria for enterprises, he stated that the automatic import licensing administration would be in accordance with the provisions of the *Measures of Administration of Automatic Import Licensing for Goods* and that, as far as he was aware, there was no provision in the *Measures* that set qualification criteria for enterprises applying for automatic import licences. However, he was informed that the China Steel Industry Association together with the Commercial Chamber for Metals, Minerals and Chemicals Importers and Exporters were consulting with their member enterprises to see whether, as an industry self-discipline, a set of rules regarding the qualification criteria such as production capacity and trade performance was necessary among the enterprises themselves.
- 3.8 The representative of the <u>European Communities</u> thanked the Chinese delegation for the detailed information provided and requested a written copy of the statement so as to be able to report to her authorities.
- 3.9 The representative of the <u>United States</u> thanked the delegation of China for the above information and for the documents submitted for this meeting. He reiterated the US interest in seeing China's notifications to this Committee on both iron ore and steel industry policy issues. There were gaps in the information available to the US authorities, hence their questions circulated in document G/LIC/Q/CHN/16 about the new requirements, qualifying criteria and fees.
- 3.10 The representative of <u>China</u> said that all the procedures and requirements relating to TRQ administration were available on the Ministry of Commerce (MOFCOM) and National Development and Reform Commission (NDRC) websites, the two Ministries responsible for TRQ administration in China. As concerned the availability of the English versions, he said that owing to huge resource restraints and language difficulties it was difficult for his authorities to have all procedures and requirements in English and make them available on the websites. However, to his knowledge, all

import licensing procedures were clear and China had submitted notifications to the Committee on Import Licensing on all these requirements. In the case of iron ore, he said that this was a product subject to automatic import licensing which had been notified to the Committee. Iron ore products subject to the regime would be adjusted or some products added through public announcements of the Ministry of Commerce or the General Administration of Customs. The specific regulation regarding iron ore and other regulations revised in 2004 relating to China's import licensing procedures were translated into English and would be notified to the Committee shortly. As regarded the request of the EC delegation for written copies of China's statement made in the context of the transitional review he said that China's position was clear to all Members that his delegation was not in a position to provide the statement in written form.

- 3.11 The representative of <u>Japan</u> said that Japan shared the concerns expressed by the European Communities on the New Automobile Policy of China (G/LIC/Q/CHN/17) and the measures taken on imports of automobile parts fulfilling the characteristics of a whole vehicle. His delegation would raise this matter in the Market Access Committee for a detailed discussion about the consistency of these measures with WTO rules and with the Protocol of Accession of China.
- 3.12 The representative of the <u>United States</u>, noting China's statement that there were no qualifying criteria in effect for enterprises importing iron ore, sought clarification whether China had implemented qualifying criteria for other products.
- 3.13 The representative of <u>China</u> confirmed that the licensing procedure itself did not contain any qualifying criteria for enterprises and said that his authorities had been informed that some industry associations were consulting themselves to see if there was some arrangement being implemented among the enterprises. Whereas he did not have much information on this point he said that some of the information was perhaps available on the websites of these industry associations.
- 3.14 The representative of the <u>United States</u> said that it was useful to hear that there were no qualifying criteria *per se* in the licensing procedures that would call into question the automatic nature of the licence. He recalled that automatic licensing was purely for statistical purposes and applications for licences should be approved in all cases. In his view, if there were qualifying criteria of any kind such procedures would fall into the non-automatic licensing category and be of greater concern.
- 3.15 The representative of <u>Australia</u> said his authorities had been taking a close interest in this issue and thanked China for the information provided.
- 3.16 The Committee <u>took note</u> of the statements made.
- 3.17 The <u>Chairperson</u> suggested that a factual report on China's transitional review be submitted to the Council for Trade in Goods (CTG). As had been done previously, this factual report would refer to the relevant paragraphs of the minutes of this meeting as well as the oral and written comments and questions submitted to China, and the information and notifications received from China. The relevant paragraphs of the minutes which reflected the discussion would be annexed to this report.
- 3.18 The representative of <u>China</u> suggested that the factual report only refer to the document symbol of the minutes of the meeting rather than attaching to it the relevant paragraphs.
- 3.19 The representative of the <u>United States</u>, supported by the representative of the <u>European Communities</u>, said that they preferred to continue with the past practice of attaching to the factual report on the review the relevant paragraphs of the minutes of the meeting.

3.20 The Committee so <u>agreed</u>. The report to the CTG on the fourth transitional review was circulated in document G/LIC/14.

## 4. Report (2005) to the Council for Trade in Goods

- 4.1 The <u>Chairperson</u> said that the Committee was required to submit annually a report on its activities to the CTG. A draft report to the CTG, covering the activities of the Committee in 2005, had been circulated in document G/LIC/W/24 for the Committee's consideration. The information covered in the draft report, including its Annex, would be updated to reflect the notifications received up to the present meeting as well as the discussion at this meeting. The latest notifications submitted by China, Morocco, Romania and Hong Kong, China would be reflected in the relevant paragraphs and in the Annex.
- 4.2 There were no comments on the draft report. The Committee <u>agreed</u> to adopt the report, subject to the updating. The report as revised and adopted was circulated as document G/L/753.

#### 5. Other business

- (i) Questions posed by Mexico to Guatemala (eggs)
- 5.1 The representative of <u>Mexico</u>, recalling the questions his delegation had posed to Guatemala at the June 2005 meeting regarding non-automatic licences required for the importation of eggs (G/LIC/M/21, paragraph3.3), informed the Committee that it had not received any responses from Guatemala up to the date of this meeting and therefore reiterated the request.
- 5.2 The representative of <u>Guatemala</u> stated that the questions from Mexico had been forwarded to his capital. Although no written replies had yet been provided to Mexico, he was aware that some discussions on this matter had taken place between the two authorities. He said that he would reply to the questions as soon as possible, hopefully by the next meeting of the Committee.
- (ii) Questions posed by the United States
- (a) Brazil (certain lithium products)
- The representative of the <u>United States</u> recalled the information his delegation had requested from Brazil at the June 2005 meeting, following the responses received to the US questions circulated in document G/LIC/Q/BRA/3 concerning Brazil's import licensing requirements for certain lithium products, including lithium carbonate and lithium hydroxide (G/LIC/M/21, paragraphs 1.4-1.5). During the June 2005 meeting the delegate from Brazil stated that there were ongoing studies and an inter-Ministerial Commission established in Brazil to debate this matter. The US delegation wished to be informed of the efforts of the Inter-Ministerial Commission, i.e., what was the context and desired outcome of the Inter-Ministerial Commission; was the inter-Ministerial Commission established only to study Brazil's policy on lithium's compounds or were there other products involved; and what was the timeframe for the completion of the studies and recommendations from the Commission. The United States looked forward to Brazil's explanation and responses to his delegation and to the Committee. His delegation looked forward to the findings of the inter-Ministerial Commission and requested Brazil to indicate when a response could be expected.
- 5.4 The representative of <u>Brazil</u> replied that he did not have much to add to what was said at the June 2005 meeting. Since the beginning of 2005, his authorities had created an Inter-Ministerial Group dedicated to the question of lithium compounds legislation. This Inter-Ministerial Group was in the process of reviewing the relevant legislation and the questions posed by the United States. Brazil hoped to provide further written information to the US and to the Committee, in addition to that

provided in document G/LIC/Q/BRA/2, soon after completion of the review. He would inform his capital of the renewed concerns of the US on this issue and hoped to provide a response very soon.

- 5.5 The representative of the <u>United States</u>, noting that Brazil and the US had been discussing this issue in the Committee for more than two years, looked forward to Brazil being in a position to respond to their questions. He said that in the bilateral discussions with Brazil, his authorities had been informed that the matter was being dealt with in the WTO whereas, in the WTO, his delegation was disappointed at the slow progress being made. He expressed once more the importance of this issue for his authorities, hence their interest in receiving replies from Brazil.
- (b) European Communities (enriched uranium)
- 5.6 The representative of the <u>United States</u>, recalling the questions his delegation had posed to the European Communities on enriched uranium, said that the US continued to look forward to the EC's explanations and responses to their questions which dealt with commercial trade of the products concerned and asked for an indication from the EC as to when it expected to be able to notify these requirements and provide the US with a written response.
- The representative of the <u>European Communities</u> said that she took note of the request. She referred to the minutes of the June 2005 meeting which reflected the comprehensive reply of the EC (G/LIC/M/21, paragraph 1.15). She stated that information on EC import policies concerning enriched uranium had been provided to WTO Members, including the US, in the context of the EC's Trade Policy Review of 2004. She informed the Committee that in the EC-US bilateral discussions held on the issue, it had been concluded that there were no specific difficulties faced by US companies in their exports of enriched Uranium to the European Union. Her authorities offered the US the opportunity to submit to the EC any requests for further information. She restated that the Corfu Declaration was a document internal to the European institutions which was not available to third parties and that it was an agreement reached in 1994 between the Council of the European Union and the Commission in connection with the conclusion of the EU-Russia association and partnership agreements.
- The representative of the <u>United States</u> said that the information received from the EC in the context of its 2004 Trade Policy Review and in the bilateral communication had been very helpful but was only a start. The information still did not answer the questions that his authorities had posed in their questions circulated in this Committee. While noting the comment that the Corfu Declaration was an internal document not eligible for release, he recalled that the heart of the US questions related to commercially-traded products, i.e., a transparency issue relating to commercial trade and, as such, information which should be disclosed in this Committee. Therefore, his delegation looked forward to receiving responses from the EC in this Committee and also took note of the willingness of the EC to continue discussions on this issue.
- (c) Indonesia (certain textiles products)
- 5.9 The representative of the <u>United States</u> referred to the request made by her delegation at the June 2005 meeting of the Committee (G/LIC/M/21, paragraph 3.6) and at a subsequent meeting of June 2005 of the Trade and Investment Council between the US and Indonesia at which her authorities had requested that Indonesia either eliminate or modify its existing licensing regime for certain textiles products under Decree No. 732 of 2002. The US looked forward to Indonesia's response and requested an indication from them as to when it expected to respond to the US concerns.
- 5.10 The representative of <u>Indonesia</u> said that his delegation had not received any mandate from its capital and that he believed that his authorities were still studying the matter.

- 5.11 The <u>Chairperson</u> referred once more to the procedures adopted in the Committee which required Members to provide replies in writing to those delegations that had posed questions, with copies to the Secretariat (G/LIC/4) and said that she looked forward to receiving written responses.
- 5.12 The Committee <u>took note</u> of the statements made.
- (iii) Dates of the next meetings
- 5.13 The <u>Chairperson</u> informed Members that the Secretariat had tentatively reserved 9 May and 27 September 2006 for the next meetings of the Committee, on the understanding that additional meetings would be convened if necessary.

5.14 The Committee <u>took note</u> of the above.