

WORLD TRADE
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Committee on Import Licensing

Original: Spanish

AGREEMENT ON IMPORT LICENSING PROCEDURES

NOTIFICATION UNDER ARTICLE 8.2(b)

Costa Rica

The following communication, dated 21 November 1995, has been received from the Permanent Mission of Costa Rica.

Pursuant to Article 8.2(b) of the Agreement on Import Licensing Procedures, the Government of Costa Rica herewith notifies a number of amendments to the Regulation on the Allocation of Tariff Quotas that were introduced by Executive Decree 24599-COMEX-MAG of 9 August 1995, published in Official Gazette No. 176 of 18 September 1995.

No. 24599-COMEX-MAG

THE PRESIDENT OF THE REPUBLIC, THE MINISTER OF FOREIGN TRADE
AND THE MINISTER OF AGRICULTURE AND LIVESTOCK,

Pursuant to Article 140, subparagraphs (3) and (18) of the Constitution, Article 27 paragraph 1 of the General Law on Public Administration, Law 7475 on Approval of Final Act of the Uruguay Round, and Articles 5 and 6 of Law 7473 on Implementation of the Uruguay Round Agreements, and

CONSIDERING:

1. That it is clearly in the interest of the public and of the Government that the commitments assumed by Costa Rica under the Agreements of the Final Act of the Uruguay Round of Multilateral Negotiations should be implemented in as transparent a manner as possible for economic operators;
2. That one of the main commitments assumed under those Agreements was the introduction of a system under which the importation of agricultural products is subject to tariff quotas, a commitment which was duly implemented by Executive Decree 23914-COMEX-MAG, published in Official Gazette No. 246 of 27 December 1994;
3. That it is the obligation of the Ministries in charge of administering quotas to monitor the quota allocation procedure with a view to introducing any revision or addition to the system that would provide improved access for the economic operators concerned and ensure full compliance with the commitments assumed;
4. That customs clearance of products subject to quotas and the release of such products from storage by the licence holder as well as his possible failure actually to effect the importation of the amounts allocated under the quota within the set time-limit have been identified as impediments to the achievement of the above objectives;

DECREES THE FOLLOWING:

Article 1. Executive Decree 23914-COMEX-MAG containing the Regulation on the Allocation of Tariff Quotas, published in Official Gazette No. 246 of 27 December 1994, shall be amended and supplemented as follows:

1. Add to Article 4 a third paragraph reading as follows:

"If a quota has not been allocated in full or in part within a given period, that amount may be added to the quota for the succeeding period. This cumulation rule shall apply only to periods falling within the same year. Unused amounts may not be added to quotas set for periods in the succeeding year."
2. Add to Article 11 a second paragraph reading as follows:

"Both the Ministry and the Exchange shall ensure that the opening of quotas is widely publicized before such quotas are made available to the public."

3. Add to Article 13 a second and third paragraph reading as follows:

"The transactions concluded during the auction process shall be binding. Without prejudice to Article 14, paragraph 3, any party to such a transaction may, through the appropriate procedures, sue the other party for breach of contract.

Should the parties subsequently agree between them to cancel the sale, with the result that the importation is not effected, the quota shall be added to the succeeding period as set forth in Article 4, paragraph 3. The provisions of Article 14, paragraph 3 shall also apply to such cases."

4. Revise Article 14 to read as follows:

"Article 14 - After the transaction has been registered, the member of the Exchange representing the buyer shall inform the Exchange of the name of the seller and the buyer so that it may issue a certificate containing the terms of the contract on the basis of which the corresponding tariff quota has been awarded.

Without prejudice to the other requirements usually laid down by the Exchange, the certificate shall mention the time-limit for the use of the tariff quota in accordance with Article 4, paragraph 2 above.

Any buyer or seller, whether a physical or legal person, who has firmly committed himself to such a transaction and subsequently breaks his contract without effecting the imports, or who, contrary to his responsibilities, fails to effect the imports within the set time-limit, shall be barred from participating in the negotiation of quotas either directly or through a third party for a period of two years from the date of the transaction. The same provisions shall apply to those who cancel a transaction to which they have firmly committed themselves.

In order to apply these measures the Ministry of Agriculture and Livestock shall institute ordinary administrative proceedings, ensuring due process of the law for those affected."

Article 20 - This Regulation shall come into force upon publication.

Done in the Presidency of the Republic, at San José, on 9 August 1995.

JOSÉ MARÍA FIGURES OLSEN
PRESIDENT OF THE REPUBLIC

JOSÉ ROSSI UMAÑA
MINISTER OF FOREIGN TRADE

ROBERTO SOLORZANO SANABRIA
MINISTER OF AGRICULTURE AND
LIVESTOCK

This Executive Decree was published in Official Gazette No. 176 of 18 September 1995.