# WORLD TRADE

## **ORGANIZATION**

**G/LIC/N/2/AUS/1** 14 June 2004

(04-2568)

**Committee on Import Licensing** 

Original: English

#### AGREEMENT ON IMPORT LICENSING PROCEDURES

Notification under Article 5

#### AUSTRALIA

The following communication, dated 28 May 2004, is being circulated at the request of the Delegation of Australia.

Pursuant to Article 5 of the Agreement on Import Licensing Procedures, we hereby submit a notification of a non-automatic import licensing program for bromochloromethane, hydrofluorocarbons and perfluorocarbons, and refrigeration and air conditioning equipment containing hydrochlorofluorocarbons or hydrofluorocarbons. This system was put into place by virtue of the *Ozone Protection and Synthetic Greenhouse Gas Legislation Amendment Act 2003* (No. 126 of 2003) assented to 5 December 2003. The system took effect on 1 April 2004 by Proclamation published in the Australian Government Notices Gazette on 17 March 2004.

This notification is an extension to the non-automatic licensing program for the ozone depleting substances chlorofluorocarbon (CFC), hydrochlorofluorocarbon (HCFC), methyl bromide, carbon tetrachloride (CTC), methyl chloroform (TCA), hydrobromofluorocarbons (HBFC) and halon, and products containing CFC, halon, CTC and TCA, which was initially notified pursuant to Article 7.3 of the Agreement on Import Licensing Procedures on 16 July 1996 (circulated in document G/LIC/N/3/AUS/1).

#### (a) List and description of products subject to licensing procedures

- Bromochloromethane (BCM), as listed in Table 1 of <u>Attachment I</u>, whether existing alone or in a mixture. Imports of such products require an Essential Uses Licence.
- Hydrofluorocarbons (HFC) and perfluorocarbons (PFC), as listed in Tables 2 and 3 of <u>Attachment I</u>, whether existing alone or in a mixture. Imports of such products require a Controlled Substances Licence, except where the HFC is to be used in the manufacturing or casting of magnesium, in which case a permit is required.
- Refrigeration and air conditioning equipment containing HFC (refer Table 2 of <u>Attachment I</u>) or Hydrochlorofluorocarbon (HCFC, as listed in Table 5 of <u>Attachment I</u>), including those items listed in Table 4 of <u>Attachment I</u>, that are not imported as a personal or household effect. Imports of such products require a Pre-charged Equipment Licence.

A list of the above products, by HS code, is at Attachment I.

#### (b) Contact point for information on eligibility

Patrick McInerney, Director, Ozone and Synthetic Gas Team, Department of the Environment and Heritage. Telephone: (612) 6274 1035; Fax: (612) 6274 1610; Email: <a href="mailto:Patrick.Mcinerney@deh.gov.au">Patrick.Mcinerney@deh.gov.au</a>. Information on eligibility is also available at:

- <a href="http://www.deh.gov.au/atmosphere/ozone/licences/pre-charged.html">http://www.deh.gov.au/atmosphere/ozone/licences/pre-charged.html</a> (refrigeration and air conditioning equipment containing HFC or HCFC)
- http://www.deh.gov.au/atmosphere/ozone/licences/hfc-pfc.html (HFC and PFC)
- http://www.deh.gov.au/atmosphere/ozone/licences/euapplication.html (BCM)

#### (c) Administrative body for submission of applications

Ozone and Synthetic Gas Team, Department of the Environment and Heritage: Tel: (612) 6274 1035; Fax: (612) 6274 1610; Email: <a href="mailto:Patrick.Mcinerney@deh.gov.au">Patrick.Mcinerney@deh.gov.au</a>. Licence application forms can also be obtained via fax or email from this contact point.

### (d) <u>Date and name of publication where licensing procedures are published</u>

<u>Licensing procedure</u>: Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (the Act) prepared on 15 December 2003 and published at

http://www.scaleplus.law.gov.au/html/pasteact/1/680/top.htm. The Act took effect on 1 April 2004 by Proclamation published in the Australian Government Notices Gazette on 17 March 2004 (http://www.scaleplus.law.gov.au/html/instruments/0/115/0/2004031701.htm).

<u>Permit procedure</u> (for the import of HFC that is to be used in the production or casting of magnesium): Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995 prepared on 24 February 2004 and published at http://scaleplus.law.gov.au/html/pastereg/1/635/top.htm

#### (e) <u>Indication of whether the licensing procedure is automatic or non-automatic</u>

The licensing procedure is not automatic. Importers may apply for a licence by submitting a completed application form for the relevant licence (available from the contacts and website mentioned in paras. (b) and (c) above) along with the associated application fee as prescribed in the Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995 (<a href="http://scaleplus.law.gov.au/html/pastereg/1/635/top.htm">http://scaleplus.law.gov.au/html/pastereg/1/635/top.htm</a>) and set out in the websites mentioned in paras (b) and (c) above.

Licence applicants must satisfy the Minister for the Department of the Environment and Heritage that they are a "fit and proper person". In determining whether the applicant is a "fit and proper person" the Minister shall have regard to matters set down in subsection 16(5), which include:

- any conviction of the person for an offence against this Act or the regulations committed within the ten years immediately preceding the making of the application; and
- whether the person is bankrupt, has applied to take the benefit of any law for the relief of bankrupt or insolvent debtors, has compounded with creditors or has made an assignment of remuneration for their benefit; and
- any statement by the person in the application that was false or misleading in a material particular; and
- where any statement by the person in the application was false or misleading in a material particular whether the person knew that the statement was false or misleading; and

• whether the person has contravened a condition of a licence.

While licence applications will be accepted at any time, the Administrative Body will invite applications in the final year of each licence period. Potential applicants are given at least 21 days to submit their application. Applicants are encouraged to submit their application prior to the advertised deadline. Unless withdrawn for contravention of licence conditions or other action detailed in sections 19A or 20 of the Act, licences are valid for the duration of each licence period. Licence periods extend for two calendar years for Controlled Substances and Pre-charged Equipment licences and one calendar year for Essential Uses licences.

Licensees are each issued with a licence number that must be entered into the COMPILE database of the Australian Customs Service in order to complete import entry. Licences are subject to: conditions as set down in section 18 of the Act; quarterly reporting requirements as set down in Part VII of the Act; and, import levies as set down in the *Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Act 1995* (http://scaleplus.law.gov.au/html/pasteact/2/1227/0/PA000070.htm).

The permit procedure for the import of HFC to be used in the production or casting of magnesium is not automatic. Importers may apply for a permit by submitting, if the HFC will be supplied to another person, a purchase order or similar document from the person to whom the HFC will be supplied; and a statement from the person intending to use the HFC that it will be used in the production or casting of magnesium. There is no application fee. The permit will prescribe the period for which the permit is valid as well as the quantity and type of HFC that may be imported using the permit. The permit may be revoked by the Minister for the Environment and Heritage if: (i) prior to the HFC's import, an event occurs that prevents the HFC from being used for the purpose for which the permit was granted; or (ii) there is reason to believe that a quantity of the HFC has been diverted to a purpose other than that for which the permit was granted.

#### (f) Administrative purpose of automatic licensing programme

Not applicable.

### (g) <u>If non-automatic, indication of measure being implemented through licensing</u>

In regard to the licensing procedure for BCM, licensing implements Australia's obligations under the *Montreal Protocol on Substances that Deplete the Ozone Layer* (the Protocol). Specifically, Australia's obligations to: ensure that its annual consumption and production of BCM is no greater than quantities approved by the Meeting of the Parties to the Protocol for essential uses; and, ensure that any imports of BCM for essential uses are reported annually to the Protocol's Secretariat.

In regard to the licensing procedure for HFC and PFC, the procedure facilitates implementation of Australia's obligations under the *United Nations Framework Convention on Climate Change* (the Convention) in regard to synthetic greenhouse gases (SGG) used as replacements to ozone depleting substances (ODS). Licensees' quarterly reports on import volumes enable the calculation of annual emission estimates, fulfilling Australia's obligation to annually report synthetic greenhouse gas emissions; while licensees' quarterly activity levies, based on import volumes, fund measures to discharge Australia's obligations to minimize synthetic greenhouse gas emissions.

In regard to the licensing procedure for refrigeration and air conditioning equipment containing HCFC or HFC, the procedure facilitates implementation of Australia's obligations under the Convention, in regard to SGG used as replacements to ODS, and the Protocol. Licensees' quarterly reports on import volumes enable the calculation of annual emission estimates, fulfilling

Australia's obligation to annually report synthetic greenhouse gas emissions; while licensees' quarterly activity levies, based on import volumes, fund measures to discharge Australia's obligations to minimize synthetic greenhouse gas emissions and phase out consumption of ODS.

In regard to the permit procedure for HFC intended for use in the casting or production of magnesium, the procedure is a means by which to exempt importers of HFC for uses other than replacement of ODS from the abovementioned HFC licensing procedure. This exemption is necessary to avoid duplication with other measures Australia is implementing to address its Convention obligations in regard to HFC emission from casting or production of magnesium.

### (h) Expected duration of the licensing procedure

The licensing procedure will be reviewed in no more than five years.

## ATTACHMENT I

Table 1—Bromochloromethane

Substance	HS
CH2BrCl	2903.30.00

## Table 2—Hydrofluorocarbons

Substance	HS
CHF3 (HFC-23)	2903.30.00
CH2F2 (HFC-32)	2903.30.00
CH3F (HFC-41)	2903.30.00
CHF2CF3 (HFC-125)	2903.30.00
CHF2CHF2 (HFC-134)	2903.30.00
CH2FCF3 (HFC-134a)	2903.30.00
CHF2CH2F (HFC-143)	2903.30.00
CF3CH3 (HFC-143a)	2903.30.00
CH2FCH2F (HFC-152)	2903.30.00
CH3CHF2 (HFC-152a)	2903.30.00
CH3CH2F (HFC-161)	2903.30.00
CF3CHFCF3 (HFC-227ea)	2903.30.00
CH2FCF2CF3 (HFC-236cb)	2903.30.00
CHF2CHFCF3 (HFC-236ea)	2903.30.00
CF3CH2CF3 (HFC-236fa)	2903.30.00
CH2FCF2CHF2 (HFC-245ca)	2903.30.00
CHF2CH2CF3 (HFC-245fa)	2903.30.00
CF3CH2CF2CH3 (HFC-365mfc)	2903.30.00
CF3CHFCHFCF2CF3 (HFC-43-10mee)	2903.30.00

Table 3—Perfluorocarbons

Substance	HS
CF4	2903.30.00
C2F6	2903.30.00
C3F8	2903.30.00
C4F10	2903.30.00
c-C4F8	2903.30.00
C5F12	2903.30.00
C6F14	2903.30.00

Table 4— Refrigeration and Air conditioning equipment that MAY contain Hydrochlorofluorocarbons and/or Hydrofluorocarbons

Equipment	HS
Air or vacuum pumps	8414
Air conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated	8415
Refrigerators, freezers and other refrigerating or freezing equipment	8418
Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of 8514), for the treatment of materials by a process involving a change of temperature, other than machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electric	8419
Fork-lift trucks; other works trucks fitted with lifting or handling equipment	8427
Milking machines and dairy machinery	8434
Machinery, not specified or included elsewhere in this chapter, for the industrial preparation or manufacture of food or drink, other than machinery for the extraction or preparation of animal or fixed vegetable fats or oils:	8438
Self-propelled railway or tramway coaches, vans and trucks, other than those of 8604.00.00	8603
Railway or tramway maintenance or service vehicles, whether or not self-propelled (for example, workshops, cranes, ballast tampers, trackliners, testing coaches and track inspection vehicles)	8604
Railway or tramway passenger coaches, not self-propelled; luggage vans, post office coaches and other special purpose railway or tramway coaches, not self-propelled (excluding those of 8604.00.	8605
Railway or tramway goods vans and wagons, not self-propelled:	8606
Tractors (other than tractors of 8709)	8701
Motor vehicles for the transport of ten or more persons, including the driver	8702
Motor cars and other motor vehicles principally designed for the transport of persons (other than those of 8702), including station wagons and racing cars	8703
Motor vehicles for the transport of goods	8704

Equipment	HS
Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological units)	8705
Parts and accessories of the motor vehicles of 8701 to 8705:	8708
Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used in factories, warehouses, dock areas or airports for short distance transport of goods; tractors of the type used on railway station platforms; parts of the foregoing vehicles	8709
Trailers and semi-trailers of the caravan type, for housing or camping	8716.10
Other aircraft (for example, helicopters, aeroplanes); spacecraft (including satellites) and suborbital and spacecraft launch vehicles	
Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the transport of persons or goods	8901
Fishing vessels; factory ships and other vessels for processing or preserving fishery products	8902
Yachts and other vessels for pleasure or sports; rowing boats and canoes	8903
Light-vessels, fire-floats, dredgers, floating cranes, and other vessels the navigability of which is subsidiary to their main function; floating or submersible drilling or production platforms	
Other vessels, including warships other than rowing boats	8906

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Substance	HS
CHFC12	2903.49.10/70
(HCFC-21)	
CHF2Cl	2903.49.10/62
(HCFC-22)	
CH2FCl	2903.49.10/70
(HCFC-31)	
C2HFCl4	2903.49.10/70
(HCFC-121)	
C2HF2Cl3	2903.49.10/70
(HCFC-122)	
C2HF3Cl2	2903.49.10/70
(HCFC-123)	
CHCl2CF3	2903.49.10/70
(HCFC-123)	
C2HF4Cl	2903.49.10/69
(HCFC-124)	
CHFClCF3	2903.49.10/70
(HCFC-124)	
C2H2FCl3	2903.49.10/70

Substance	HS
(HCFC-131)	
C2H2F2Cl2	2903.49.10/70
(HCFC-132)	
C2H2F3Cl	2903.49.10/70
(HCFC-133)	
C2H3FCl2	2903.49.10/70
(HCFC-141)	
CH3CFCl2	2903.49.10/69
(HCFC-141b)	
C2H3F2Cl	2903.49.10/70
(HCFC-142)	
CH3CF2Cl	2903.49.10/70
(HCFC-142b)	
C2H4FCl	2903.49.10/70
(HCFC-151)	
C3HFCl6	2903.49.10/70
(HCFC-221)	
C3HF2Cl5	2903.49.10/70
(HCFC-222)	
C3HF3Cl4	2903.49.10/70
(HCFC-223)	
C3HF4Cl3	2903.49.10/70
(HCFC-224)	
C3HF5Cl2	2903.49.10/70
(HCFC-225)	
CF3CF2CHCl2	2903.49.10/70
(HCFC-225ca)	
CF2CICF2CHCIF	2903.49.10/70
(HCFC-225cb)	
C3HF6Cl	2903.49.10/70
(HCFC-226)	
C3H2FCl5	2903.49.10/70
(HCFC-231)	
C3H2F2Cl4	2903.49.10/70
(HCFC-232)	
C3H2F3Cl3	2903.49.10/70
(HCFC-233)	
C3H2F4Cl2	2903.49.10/70
(HCFC-234)	

Substance	нѕ
C <sub>3</sub> H <sub>2</sub> F <sub>5</sub> Cl	2903.49.10/70
(HCFC-235)	
C3H3FCl4	2903.49.10/70
(HCFC-241)	
C3H3F2Cl3	2903.49.10/70
(HCFC-242)	
C3H3F3Cl2	2903.49.10/70
(HCFC-243)	
C3H3F4Cl	2903.49.10/70
(HCFC-244)	
C3H4FCl3	2903.49.10/70
(HCFC-251)	
C3H4F2Cl2	2903.49.10/70
(HCFC-252)	
C3H4F3Cl	2903.49.10/70
(HCFC-253)	
C3H5FCl2	2903.49.10/70
(HCFC-261)	
C3H5F2Cl	2903.49.10/70
(HCFC-262)	
C3H6FCl	2903.49.10/70
(HCFC-271)	