

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES¹

Notification under Article 7.3 of the Agreement on Import Licensing Procedures

LESOTHO

The following communication, dated 15 November 2010, is being circulated at the request of the delegation of Lesotho.

The list of products covered under Lesotho's Import Licensing/Import Permit system has been specified in the "Import Restrictions (Amendment) Regulations, 2009". This regulation also stipulates the relevant authorities responsible for managing the licensing process of each product. The import licensing system generally requires an importer to first approach the relevant issuing authority to be guided on the specific application material required for importation of the specified product. Once the necessary documentation has been procured, the importer presents these along with a completed application form to the issuing authority for consideration. The documentation is then reviewed against the administrative requirements and within the timeline specified by the issuing authority for import of the specified product. An import permit is issued once the approval process is complete. Applied terminology varies by institution with some issuing "import permits" while other issue "import licences". The main licence categories in Lesotho fall within import permit/licences offered by the following institutions:

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¹ See G/LIC/3, Annex, for the Questionnaire.

I. MINISTRY OF TRADE: ONE-STOP BUSINESS FACILITY (OBFC) LICENSING SYSTEM

Outline of System

Import Permit

1. The importer lodges an application through the provided system in Ministry of Trade and Industry Cooperatives and Marketing (MTICM) – OBFC; the system they apply already has an application whereby the importer fills in the required information. After the completion of the form, the importer clicks the save button, and automatically the application reflects in imports & exports officers desk through the system. After receiving the application, the officer searches the send job, checks it against the required standards, if the information is authentic, the officer approves the application and print the permit licence.

Rebate Permit

In order for the importer to obtain the rebate permit, she/he has to be the holder of the manufacturing licence obtained from MTICM. With the manufacturing licence, the importer registers with LRA with the aim of informing the LRA that the products to be manufactured will be exported so that the importer will be exempted from certain duties.

Purposes and coverage of licensing

2. Permits are required for:

Import permit:

- Clothing including used clothing;
- Tires including used tires;
- Vehicles including used vehicles.

Rebate Permit:

- Raw material for footwear & textiles.

3. The permit system applies to goods originating in and coming from all countries with exception of the South African Customs Union region.

4. The permit system is not intended to restrict the quantity or value of imports of goods listed but rather to monitor the inflow (collect statistics).

5. Laws, regulation and/or administrative order under which the licensing is maintained: import licensing procedures in Lesotho are governed by the Export and Import Control Act of 1984 (Amended 1996) and the Import Restrictions (Amendment) Regulation, 2009. The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is not possible for the Ministry of Trade to abolish the system without legislative approval but improvements of the system are possible.

Procedures

6. Not applicable.

- 7.(a) Import and rebate permits applications are processed in the minimum time of two hours, and maximum time of a day, but licence application have to be made prior to scheduled importation.

Licences may not be obtained within a shorter time-limit as the system automatically detects first applications. However in circumstances where goods arrive at the port without a permit, such permit maybe issued upon the discretion of the OBFC Director but still have to follow the procedure.

- (b) Permits may be granted immediately on request provided all relevant documentation is available and the goods are not yet within the country.
- (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
- (d) Consideration of import and rebate permits applications is effected by a single administrative organ; however, any relevant documentation required from other administrative organs (such as the police or revenue authorities) has to be procured prior to submission of application to OBFC.

8. Permits are not granted on the basis that the applicant did not meet requirements or presented falsified information. Reasons for refusal are given to the applicant in writing. The applicant can appeal the decision to the Minister of Trade; however, there is no appeal procedure specified in the legislation.

Eligibility of Importers to Apply for Licence

9. All persons firms and institutions in good legal standing are eligible to apply. Both nationals and foreigners with valid residence permits are equally eligible to apply for permits.

Documentation and Other Requirements for Application for Licence

10. A sample import application form is required. Documents that the importer is required to supply with the application are: certified copies of passport, traders/manufacturers licence, pro-forma invoice, affidavit forms, clearing instructions, bill of landing or airway bill.

11. Documents required upon actual importation include: import permit, bill of lading or airway bill.

12. There are no import licensing fees or administrative charges.

13. There no deposit or advance payment requirement.

Conditions of Licensing

14. Import and rebate permits are granted per consignment; the validity of a licence may not be extended but a new licence can be granted.

15. There is no penalty for the non-utilisation of a licence or a portion of a licence.

16. Licences cannot be transferable between importers.

17. No other conditions are attached to the issue of an import permit or rebate.

Other Procedural Requirements

18. There are no other administrative procedures.
19. Foreign exchange is automatically provided by the banking authorities for goods to be imported if other administrative procedures required are fulfilled. Licences are not required as a condition to obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice.

II. DEPARTMENT OF MARKETING

Outline of System

Import Permit

1. An importer lodges his/her application with the Department of Marketing at the Ministry of Trade and Industry, Cooperatives and Marketing. Applications are considered on the spot and import permits are issued automatically for all approved applications.

Purposes and coverage of licensing

2. Permits are required for:
 - Sugar;
 - Bread;
 - Fresh fruits and fresh vegetables;
 - Pulses;
 - Red meat;
 - Poultry and eggs;
 - Wool and Mohair.
3. The system applies to goods originating in and coming from all countries with no exception.
4. The system is intended to regulate the quantity of imports of some agricultural products to encourage domestic production of agricultural products depending on the availability of local produce. Furthermore, the permits are issued to sugar packers to allow them to import raw sugar. In the case of red meat, the system is in place to ensure imports are sourced from reliable and hygienically approved suppliers.

The import permit system complements existing training programs aimed at assisting farmers acquire the capacity to operate competitively.

5. Law, regulation and/or administrative order under which the import permit is maintained: import restrictions (Amendment) Regulation, 2009, Agricultural Marketing Act, 1967, Marketing Import Control Regulations Legal notices: 176/1989 for sugar, 15/1969 for poultry and eggs, S/2005 for bread, 141/1992 for meat, 28.1992 for pulses, 178.1986 for pulses.

The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is not possible for the Department of Marketing to abolish the system without legislative approval but improvements of the system are possible.

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. Information relating to the allocation of quotas (including amounts) and formalities of filing applications for import permits is not formally published but is made available to all individuals through "District Marketing Officers" who report to the Department of Marketing.

Use of the quota is allocated to all entities deemed by administrative directive as qualified importers of the listed agricultural products.
 - II. Quotas are determined on a monthly basis. There are no cases where the size of quota is determined on a yearly basis but import permits are issued on a six-monthly or quarterly basis.
 - III. Import permits are not allotted for certain goods partly or only to domestic producers of like goods. Regular inspections at port of entry and trader's premises are mechanisms used to ensure allocated permits are actually used for imports. Unused allocations cannot be added to quotas for a succeeding period. The names of importers to whom import permits have been allocated can be made known to governments and export promotion bodies of exporting countries upon request.
 - IV. Applications for import permits can be submitted immediately after the monthly quota is determined.
 - V. Applications are processed immediately upon submission by applicants.
 - VI. Importation can occur immediately after import permit is issued.
 - VII. The Department of Marketing is the single administrative organ designated to consider applications for import permits. The importers do not have to approach more than one administrative organ.
 - VIII. Where demand for import permits cannot be fully satisfied, allocation to applicants is made on a first come, first served basis. No maximum allocation amount is set per applicant. New importers are only required to meet ordinary criteria and their applications are examined on receipt.
 - IX. Import permit are required in the case of bilateral quotas or export restraint arrangements where export permits are issued by exporting countries. Import permits are also issued automatically in such cases.
 - X. There are currently no cases where imports are allowed on the basis of export permits only.
 - XI. There are no products for which import permits are issued on condition that goods should be exported and not sold in the domestic market.
7. Import permits are not required for agricultural products with no quantitative limit on their importation.
8. Permits are not granted on the basis that the applicant did not meet ordinary criteria including when there is abundant supply of the products in request locally. The reasons for refusal can be given to the applicant in person, by telephone or in writing. The applicant can appeal the decision to the

Permanent Secretary of the Ministry of Trade and Industry, Cooperatives and Marketing; however, there is no appeal procedure specified in the legislation.

Eligibility of Importers to Apply for Licence

9. For certain products where a quota applies, only approved importers of the said product can apply for an import permit. Qualified importers for each product are listed as follows:

- Sugar: packers only;
- Poultry and eggs: licensed butchery, dairy shop, traders licence holders of all levels, hotels, restaurants and food caterers;
- Bread: all traders licence holders with exception of butchery and dairy shop, hotels restaurants and food caterers;
- Meat: butchery and other traders licence holders, hotels, restaurants and food caterers;
- Fruits and vegetables: butchery and other traders licences holders, hotels, restaurants and food caterers;
- Pulses: all traders licence holders, hotels, and restaurants.

As indicated above, import permits are not required for all other products.

Documentation and Other Requirements for Application for Licence

10. A sample import application form for sugar import is required, (required information is largely the same for all other products where an import permit is required).

Documents the importer is required to supply with the application are: traders or manufacturers licence.

11. Documents required upon actual importation include: Import permit and declaration of invoices.

12. There are no fees or administrative charges attached to the granting of an import permit.

13. There is no deposit or advance payment requirement.

Conditions of Licensing

14. There is no specified validity period for permit, but validity cannot go beyond one calendar month. The validity of an import permit cannot be extended.

15. There is no penalty for the non-utilisation of a licence or a portion of a licence. However importers are required to notify the Department of Marketing in case of non-utilisation for statistical purposes.

16. Licences cannot be transferred between importers.

17. There are no other conditions attached to the issuance of an import permit.

Other Procedural Requirements

18. There are no other administrative procedures.

19. Foreign exchange is automatically provided by the banking authorities for goods to be imported if other administrative procedures required are fulfilled. Licences are not required as a condition to

obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice.

III. DEPARTMENT OF LIVESTOCK

Outline of System

Import Permit

1. An importer lodges his/her application with the Epidemiology and Data Management Section at the Department of Livestock Services at least 7 – 30 days before intended importation. The application is reviewed by responsible officials and decisions are made after 5 working days. The importer is required to collect their application once approved and resubmit to the Office of the Secretary, who is responsible for issuing the relevant import permit document.

Purposes and coverage of licensing

2. Permits are required for:
 - Livestock and livestock products;
 - Pullets and one day old chickens;
 - Bees.
3. The system applies to goods originating in and coming from all countries.
4. The licensing system is not intended to restrict the quantity or value of imports of goods listed but rather to ensure imported products meet the minimum hygienic requirements and for disease control.
5. Law, regulation and/or administrative order under which the licensing is maintained: the Import Restrictions (Amendment) Regulation, 2009, the Livestock Disease Act. The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is not possible for the Ministry of Agriculture, Food and Security to abolish the system without legislative approval, but improvements of the system are possible.

Procedures

6. Not applicable.
- 7.(a) Application can be submitted 7 – 30 days before importation. Import permits cannot be issued within a shorter time limit than those prescribed above.
- (b) A permit cannot be granted immediately upon request.
- (c) There are no limitations on the period of the year during which applications for import permits can be made.
- (d) The Department of Livestock is the single administrative organ designated to consider application of these import permits.
8. Permits are not granted on the basis that the applicant did not meet Health Certification requirements. Reasons for refusal are given to the applicant in writing. The applicant can appeal the decision to the Minister of Agriculture however there is no appeal procedure specified in the legislation.

Eligibility of Importers to Apply for Licence

9. All persons with a valid traders licence are eligible to apply. Individuals seeking to import livestock and related products for special occasions (i.e. celebrations) are required to submit a special letter from their chief.

Documentation and Other Requirements for Application for Licence

10. A sample import application is required. Documents the importer required to supply with the application are: completed application form, health attestation from State veterinary services in originating country, and Pro-forma invoice for import of pork products.

11. Documents required upon actual importation include: health attestation from State veterinary services in the country of origin, Import permit and Invoice. Goods can be confiscated at the border when information is inconsistent across these documents.

12. A fee of 25-lisente (25-cents) per 10kg of imported good is stipulated by law. This fee is only payable once an application has been approved.

13. There is no deposit or advance payment requirement.

Conditions of Licensing

14. Permits on livestock and livestock products are only issued on a consignment basis and their validity cannot be extended.

15. There are no penalties for the non-utilisation of a permit or a portion of a permit.

16. Licences cannot be transferred between importers.

17. There are no other conditions attached to the issuance of an import permit.

Other Procedural Requirements

18. There are no other administrative procedures.

19. Foreign exchange is automatically provided by the banking authorities for goods to be imported if other administrative procedures required are fulfilled. Licences are not required as a condition to obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice.

IV. DEPARTMENT OF MINES AND GEOLOGY

Outline of System

Import licence

1. The importer lodges an application through the office of the Commissioner at the Department Mines and Geology within the Ministry of Natural Resources. All applications are considered by the Commissioner of Mines and Geology and a decision is granted within 2 days. The licence for importation of precious stones is issued immediately upon approval of an application.

Purposes and coverage of licensing

2. Permits are required for precious stones, cores and samples of precious stones.²
3. The system applies to goods originating in and coming from all countries.
4. The licensing system is not intended to restrict the quantity or value of imports of goods listed but rather to monitor the inflow for statistical purposes and in the case of diamonds, eliminate trade in conflict diamonds.
5. Law, regulation and/or administrative order under which the licensing is maintained: import licensing procedures in Lesotho governed the Import Restrictions (Amendment) Regulation, 2009, The Precious Stone Order 1970, Precious Stones (Kimberly Process), Regulations 2003, Precious Stone (Prescription of Forms and Licence Fees) Regulations 2004, Precious Stones (Diamond Dealer's Licence Grant and Renewals) Regulations 2004. The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is not possible for the Minister of Natural Resources to abolish the system without legislative approval but improvements of the system are possible.

Procedures

6. Not applicable.
- 7.(a) Application shall be made 2 days in advance of intended importation date. For rough and uncut diamonds imported into Lesotho, the importer is required to apply for registration and pay a fee of 2.5% of the value thereof no later than the first business days following the date on which such diamond is imported into Lesotho.
- (b) Licence may be granted 2 days after the request is made provided that all relevant documentation is available.
- (c) There are no limitations as to the period of the year during which application for licence to import may be made.
- (d) The Department of Mines and Geology is the single administrative organ designated to consider applications for licences to import precious stones.
8. Permits are not granted on the basis that the applicant did not meet requirements (particularly for diamonds this refers to the provision of a valid Kimberly process certificate of origin) or presented falsified information. Reasons for refusal are given to the applicant in writing. The applicant can appeal the decision to the Minister of Natural Resources; however, there is no appeal procedure specified in the legislation.

Eligibility of Importers to Apply for Licence

9. Persons with a valid licence are eligible to import precious stones, except in the case of diamonds where only licensed dealers with appropriate funds to cover business expenses are eligible to apply for a licence to import diamonds.

² Cores and samples only imported in cases where precious stones have been found.

Documentation and Other Requirements for Application for Licence

10. A sample import application form is required. Additional documentation required are the plan and location of office space with stamp of approval by the community council, tax certificates from the Lesotho Revenue Authority, a police clearance document and proof of Kimberly process certification in the case of diamonds.
11. Documents required upon actual importation include: proof of traders licence, proof of licence to import and Kimberly process certification in the case of diamonds.
12. 2.5% of the invoice value is paid to the Department of Mines and Geology as an administrative fee.
13. There is no deposit or advance payment requirement.

Conditions of Licensing

14. Licences are granted for a period of 1 year and can be renewed annually. A new application is required where an applicant does not import any precious stones for a period of 2 years.
15. There are no penalties for the non-utilisation of a licence or a portion of a licence.
16. Licences cannot be transferred between importers.
17. There are no other conditions attached to the issue of a permit.

Other Procedural Requirements

18. There are no other administrative procedures.
19. Foreign exchange is automatically provided by the banking authorities for goods to be imported if other administrative procedures required are fulfilled. Licences are not required as a condition to obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice.

V. DEPARTMENT OF ENERGY

Outline of System

Import licence

1. The importer lodges an application with the office of the Director at the Department of Energy, Ministry of Natural Resources. The application is then reviewed and a decision is granted within 1 day. The licence for importation and supply of fuel in Lesotho is issued immediately upon approval of an application.

Purposes and coverage of licensing

2. Permits are required for petroleum fuel.

3. The system applies to goods originating in and coming from all countries with exception of the Southern African Customs Union (SACU) whereby importers are required to adhere to additional rules specified within the region.
4. The licensing system is not intended to restrict the quantity or value of imports of petroleum products but rather to monitor the inflow and monitor that only registered oil companies import petroleum products into Lesotho.
5. Law, regulation and/or administrative order under which the licensing is maintained: import licensing procedures in Lesotho governed by the Import Restrictions (Amendment) Regulation, 2009 and the Fuel and Services Control Regulation for Petroleum Fuel, 1999. The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is possible for neither the Department of Energy nor the Ministry of Natural Resources to abolish the system without legislative approval; but, improvements of the system are possible.

Procedures

6. Not applicable.
- 7.(a) No time limit is given but licence application is generally made prior to the intended date of importation;
- (b) Licence may be granted within 1 day of request provided all relevant documentation is available;
- (c) There are no limitations as to the period of the year during which application for a licence may be made.
- (d) The Department of Energy is the single administrative organ responsible for considering application for licences on Petroleum Fuel. In exceptional cases, application may require further review by the office of the Principal Secretary and/or Minister of Natural Resources.
8. Licences are not granted on the basis that the applicant did not meet requirements (particularly for companies with no establishment or portfolio transactions within Lesotho) or presented falsified information. Reasons for refusal are given to the applicant in writing. The applicant can appeal the decision to the Minister of Natural Resources; however, there is no appeal procedure specified in the legislation.

Eligibility of Importers to Apply for Licence

9. Only Registered Oil Companies are permitted to import petroleum fuel into Lesotho.

Documentation and Other Requirements for Application for Licence

10. All persons wishing to import petroleum fuel into Lesotho are required to submit the following documentation:
 - The company's details including; the name, address and nationality of the company; name(s) and address(es) of all directors or principals where request is not from a company; proof company is locally registered; and the articles and memorandum of association of company.
 - A detailed proposal of the business which includes costing and elements of sustainability.

- Information on applicant's technical experience and competence in the area of operation. This may include issues such as knowledge/experience with oil industry operations in the country and bio fuels in general; CV of proposed project manager and the consulting or in-house specialists.
 - Financial status of the company. This will cover aspects such as applicant's balance sheet, profit and loss statement for the previous two years, the proposed financial plan, banking and other financial references.
 - Financial analysis of the business.
 - Proposed marketing arrangements – agreements with locally registered petroleum dealers.
11. Documents required upon actual importation include: declaration of invoices and proof of licence to supply petroleum fuel in Lesotho.
12. There are no fees or administrative charges attached to the issuance of a licence to supply petroleum fuel in Lesotho.
13. There is no deposit or advance payment requirement.

Conditions of Licensing

14. Licence to import petroleum fuel is granted on an annual basis and the validity of a licence be not be extended.
15. There is no penalty for the non-utilisation of a licence or a portion of a licence.
16. Licences cannot be transferred between importers.
17. All registered oil companies permitted to import petroleum fuel into Lesotho are required to adhere to the following guidelines:
- Import petroleum products only through the designated borders of Lesotho;
 - Import fuel which complies with acceptable international standards;
 - Be permitted to import petroleum products in quantities greater than 200 litres;
 - Not engage in direct shipment but should dispense or off-load fuel straight into the depot to distribution to the dealers;
 - Comply with all relevant import, wholesaling of fuel, approvals and permits as required under the Fuel and Service Control Act or any other applicable law;
 - Pay applicable duties, levies and taxes to the relevant authorities and bodies;
 - Illustrate commitment in investing in Lesotho;
 - The fuel compartments of the tankers shall be filled to the maximum capacity;
 - Submit details of the car which imports fuel into Lesotho including the registration number;
 - Submit on the 15th of every month, total quantities or volumes of petroleum products imported into Lesotho in the previous month.

Other Procedural Requirements

18. There are no other administrative procedures.
19. Foreign exchange is automatically provided by the banking authorities for goods to be imported if other administrative procedures required are fulfilled. Licences are not required as a condition to

obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice.

VI. MINISTRY OF TOURISM

Outline of System

Import licence

1. The importer lodges an application with the licensing office at the Ministry of Tourism, Environment and Culture. Applicants are required to pay a M60.00 fee to obtain the application form. All applications are reviewed by the licensing board once a month. Once an application is approved, applicants are required to pay M 1, 200.00 fees before an import licence can be issued.

Purposes and coverage of licensing

2. Permits are required for alcoholic beverages.
3. The system applies to goods originating in and coming from all countries.
4. The licensing system is not intended to restrict the quantity or value of imports of goods but to address demand needs when there are shortages at the Maluti Brewery.
5. Law, regulation and/or administrative order under which the licensing is maintained: import licensing procedures in Lesotho governed by the Import Restrictions (Amendment) Regulation, 2009, Accommodation, Catering and Tourism Enterprise Act 1997, and the Liquor Licensing Act. The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is not possible for the Ministry of Tourism to abolish the system without legislative approval but improvements of the system are possible.

Procedures

6. Not applicable.
 - 7.(a) Applications must be made at least a month before the intended date of importation. Licences cannot be granted within a shorter period of time.
 - (b) Licence cannot be granted immediately on request.
 - (c) There are no limitations as to the period of the year during which application for licences to import alcoholic beverages may be made.
 - (d) Consideration of licence to import is effected by a single administrative organ, which is the licensing office at the Ministry of Tourism, Culture and Environment. However, prior to submission of required documentation, applicants are required to present supporting documentation from the city council, department of police, health inspectors and the Lesotho Revenue Authority.
8. Permits are not granted on the basis that the applicant did not meet requirements or presented falsified information. Reasons for refusal are given to the applicant in writing. The applicant can appeal the decision to the Minister of Tourism, Environment and Culture; however, there is no appeal procedure specified in the legislation.

Eligibility of Importers to Apply for Licence

9. Only off-sales licences are allowed to import alcoholic beverages into Lesotho. Otherwise, authority to import and distribute alcoholic beverages is assigned to the Lesotho Brewery Company.

Documentation and Other Requirements for Application for Licence

10. A sample application form is required. Additional documentation required include; lease for business establishment (or sub-lease agreement), plan of trading location with a stamp of approval from the city council, tax certificates from the Lesotho Revenue Authority, and evidence of satisfactory inspection by the Department of Police, Health Inspector and Officials from the Ministry of Tourism, Environment and Culture.

11. Documents required upon actual importation include: Valid import licence and declaration of invoices

12. A M 60.00 fee is required to obtain an application form and a M 1, 200.00 is administered once an application has been approved.

13. There is no deposit or advance payment requirement.

Conditions of Licensing

14. A licence to import alcoholic beverages is granted for a period of 1 year with yearly extensions allowed 3 months prior to expiry. A M 12.00 penalty is incurred if renewal is not done in time.

15. There is no penalty for the non-utilisation of a licence or a portion of a licence.

16. Licences can be transferred between importers. A M 60.00 fee is required before an application can be completed to transfer a valid licence. An inspection of the new business establishment is also undertaken as part of the review process for an application to transfer. A further M 400.00 fee is administered once the transfer is approved.

17. No additional conditions are attached to the issue of a licence.

Other Procedural Requirements

18. There are no other administrative procedures.

19. Foreign exchange is automatically provided by the banking authorities for goods to be imported if other administrative procedures required are fulfilled. Licences are not required as a condition to obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice.

VII. LESOTHO DAIRY BOARD

Outline of System

Import Permit

1. The importer lodges an application through the Lesotho National Dairy Board. All applications are considered by the board, which then authorizes the issuance of an import permit document for approved applications.

Purposes and coverage of licensing

2. Permits are required for milk and other dairy products.
3. The system applies to goods originating in and coming from all countries.
4. The licensing system is not intended to restrict the quantity or value of imports of goods listed but rather for maintenance of quality standards in the distributions of dairy produce in Lesotho.
5. The permit system is maintained in accordance with the following laws: import restrictions (Amendment) Regulation, 2009, Agricultural Marketing (Distribution of Dairy Products) Regulations, 1992 and Agricultural Marketing (Distribution of Dairy Products) Regulations, 1993. The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is not possible for the Ministry of Trade and Industry, Cooperatives and Marketing to abolish the system without legislative approval but improvements of the system are possible.

Procedures

6. Not applicable.
- 7.(a) A time frame is not legally specified but all applications must be made prior to intended date of importation.
- (b) An import permit may be granted immediately upon request on condition that the importer shall provide all relevant invoices reconciling consignments against the import permit no later than 10 days after the end of each month.
- (c) There are no limitations as to the period of the year during which application for an import permit may be made.
- (d) The consideration of import permit applications is effected by a single administrative organ, which is the Lesotho National Dairy Board.
8. Permits are not granted on the basis that the applicant did not meet requirements or presented falsified information. Reasons for refusal are given to the applicant in writing. The applicant can appeal the decision within 30-days to the Minister of Trade and Industry, Cooperatives and Marketing.

Eligibility of Importers to Apply for Licence

9. All persons, firms or institutions in good legal standing are eligible to apply for an import permit.

Documentation and Other Requirements for Application for Licence

10. A sample import application form is required. No additional documentation is required for consideration of application.
11. Documents required upon actual importation include import permit and a declaration of invoices.
12. 2.5% of the invoice value is paid to the Lesotho National Dairy Board as an administrative fee.
13. There no deposit or advance payment requirement.

Conditions of Licensing

14. Import permits are granted per consignment and their validity cannot be extended.
15. There are no penalties for the non-utilisation of an import permit or a portion of an import permit.
16. Import permits are not transferable.
17. There are no other conditions attached to the issuance of a permit.

Other Procedural Requirements

18. There are no other administrative procedures.
19. Foreign exchange is automatically provided by the banking authorities for goods to be imported if other administrative procedures required are fulfilled. Licences are not required as a condition to obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice.

VIII. CENTRAL BANK OF LESOTHO

1. The importer lodges an application through any authorized dealers of gold and foreign exchange.³ This application is forwarded by the authorized dealer to the Central Bank of Lesotho for further review and approval. Applications are considered by the department of supervision within the Central Bank of Lesotho and decisions are made within 2-3 working days. Once approval has been granted by the Central Bank of Lesotho, the authorized dealer, in consultation with the importer, issues a letter of approval for the transaction.

Purposes and coverage of licensing

2. Permits are required for bank notes, gold securities or foreign currency.
3. The system applies to goods originating in and coming from all countries.

³ Authorized dealers include the three major banking institutions (Nedbank, First National Bank and Standard Lesotho Bank) and approved foreign exchange bureau.

4. The licensing system is not intended to restrict the quantity or value of imports of gold securities or bank notes but rather to monitor with the intent to preserve foreign exchange and gold reserves as well as to control for illegal activities like money-laundering.

5. The permit system is maintained in accordance with the following laws: import restrictions (Amendment) Regulation, 2009, and the Exchange Control Regulations, 1989. The licensing is statutorily required. The legislation does not leave designation of products subject to licensing to administrative discretion. It is not possible for the Central Bank of Lesotho to abolish the system without legislative approval; but, improvements of the system are possible.

Procedures

6. Not applicable.

7.(a) A time frame is not legally specified but all applications must be made prior to intended date of importation.

(b) It takes 2-3 working days to approve an application for a licence to import gold securities or bank notes.

(c) There are no limitations as to the period of the year during which application for an import permit may be made.

(d) The consideration of import permit applications is effected the authorized dealer and the Central Bank of Lesotho.

8. Permits are not granted on the basis that the applicant did not meet requirements or presented falsified information. Reasons for refusal are given to the applicant in writing. The applicant can appeal the decision to the Governor of the Central Bank of Lesotho, and where there is no resolution, a further appeal can be lodged with the Minister of Finance and Development Planning who is the final decision maker.

Eligibility of Importers to Apply for Licence

9. Only individuals with good legal standing and recognized qualifications in dealing with foreign currency are eligible to apply.

Documentation and Other Requirements for Application for Licence

10. A sample import application form is required. Additional documentation includes an invoice indicating the origin and amount of bank notes or gold securities to be imported into Lesotho.

11. Documents required upon actual importation include: Letter from authorized dealer authorizing sale transaction.

12. There is no fee administered by the Central Bank of Lesotho; however, fees are applied by the authorized dealer.

13. There no deposit or advance payment requirement.

Conditions of Licensing

14. All approvals by the Central Bank of Lesotho are valid for a period of 90 days and the validity can be extended.
15. There are no penalties for the non-utilisation.
16. Authorizations are not transferable.
17. There are no other conditions attached to the issuance of a permit.

Other Procedural Requirements

18. There are no other administrative procedures.
 19. Foreign exchange is automatically provided by the banking authorities if other administrative procedures required are fulfilled. Licences are not required as a condition to obtaining foreign exchange. Formalities to be fulfilled to obtain the foreign exchange include the presentation of identification document, proof of sufficient funds in bank account, and a Pro-Forma Invoice on transaction.
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