

**REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES<sup>1</sup>**

Notification under Article 7.3 of the Agreement on  
Import Licensing Procedures

MALDIVES

The following communication, dated 21 March 2002, has been received from the Permanent Mission of Maldives.

Outline of system

1. The import licensing system is regulated by Law No. 31/79 established all goods subject to import licensing. A single application form needs to be completed and submitted to the Ministry of Trade and Industries. The Ministry issues a General Import Licence to shop owners, tourist resorts, hotels and registered bonded warehouses.

Purposes and coverage of licensing

2. The Ministry of Trade and Industries operates a non-automatic licensing system. General licences are issued to those individuals and companies that have a valid business permit to sell the imported items. However, any registered business or enterprise such as local investments and foreign investments, can apply for an import licence to import materials required for that business. Individuals can also apply for an import license without the import permit mentioned above up to MRf 2000.- to import items for personal consumption.

3. The system applies to goods originating from all countries except Iraq, Serbia and Montenegro, import of whose products are prohibited as per international obligations.

4. The licensing system is set up to monitor those who import the merchandise into the country has necessary permits to sell such items.

5. The licensing system is a statutory requirement under the law on export and import (No. 31/79). The legislation does leave designation for products to be subjected to licensing to administrative discretion. The government or the executive branch does not have the authority to abolish the system without legislative approval.

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<sup>1</sup> See document G/LIC/3, Annex, for the Questionnaire.

Procedures

6. Products under restrictions 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 pertaining to quotas and the application procedures are broadcast through television, radio and the newspapers. The total quota amount is made known to all applicants to the quota. No country specific quotas are established. The maximum amount allocated to each importer is also announced. There is no derogation or exceptions from the licensing system.

II. The quotas are only set for staple food items and are determined on an annual basis. The quota is divided on a three-monthly basis. The importer is required to fulfill 100% of the quota amount for the first three months period before the end March, to be eligible for the next nine months and the following year's quota. The licences issued to import food items are issued for one year.

III. No differentiation is made when issuing licences. Licences issued by Ministry are issued for the entire year and are open general licences. Quotas are allotted to those who have the necessary storage facilities such as go downs and the distribution facilities. Any unused allocation cannot be added to the quotas for a succeeding period.

IV. The Customs keep a record of all the quota holders and the quota allocated to them and checks the quota amount imported by the quota holders. Any unused allocation is not added to the quotas for a succeeding period.

V. Applications must be normally submitted within ten to twenty days from the date of announcement of the quota.

VI. When the deadline is up all applications are processed immediately. Import licences are granted simultaneously as the opening of the quota.

VII. One administrative body grants licences.

VIII. Licences are granted based on past performance. The requirement is that the applicant has the facilities to store imported items and also whether the importers have had previous experience in selling such items based on the above criteria. The quota will be divided equally among all eligible applicants. No maximum amount per applicant is allocated. All applicants who are new importers must also have the necessary facilities to store the imported items. All applications are processed simultaneously.

IX. Quota holders are able to obtain import license automatically.

X. Not applicable.

XI. No licences are issued on condition that goods should be exported and not sold in the domestic market.

7. Where there are no quantitative limits on importation of a product or no imports from a particular country:

(a) The importer must have a valid licence before the goods arrive into the country. Licences are issued on the same day to all applications submitted before 11.00 a.m. All applications submitted after the deadline will be issued the next day. Arrangements have been made to issue licences after the goods arrive in the country. However a penalty fee will be levied on such applicants.

- (b) All licences are granted immediately.
  - (c) Except for rice, flour and sugar for which there is a quota for private entrepreneurs, the importer could import up to the licence amount any time within licence period. Importers are allowed to apply to renew the import licence when they wish.
  - (d) The importer has to approach one administrative body.
8. No applications have been refused other than the failure to meet the ordinary criteria. Reasons for refusal are always made known to the applicant. In the event of an application the applicant has the right to appeal to the Ministry of Trade and Industries.

Eligibility of importers to apply for licence

9. Licences are issued to those individuals, firms and companies who have a registered business or those who have registered a business under a government department. Licences are also issued to those who need to import items for their personal consumption, upon request.

Documentation and other requirements for application for licence

10. No other documents are required to be submitted with application form. For those applicants who do not have the necessary business permits shall provide a list of the items that need to be imported when applying for licence.
11. Commercial invoices, licence issued by the Ministry of Trade and Industries and other relevant documents such as bill of lading are the documents that need to be submitted to the Customs in order to clear the goods.
12. No administration fee is charged, however a revenue stamp equivalent to 0.1 per cent of the import value needs to be submitted.
13. None.

Conditions of licensing

14. Licences are valid for one year.
15. None.
16. It is an offence to import products using another person's licence.
17. None.

Other procedural requirements

18. None.
19. Foreign exchange is provided by the banking authorities subject to availability.
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