

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

Notification under Article 7.3 of the Agreement on Import Licensing Procedures

PARAGUAY

The following notification, dated 2 October 2012, is being circulated at the request of the delegation of Paraguay.

**Outline of systems**

1. At present, Paraguay has import licences administered by the Under-Secretariat for Trade in the Ministry of Industry and Trade (MIC); by the National Food and Nutrition Institute (INAN), the National Health Monitoring Directorate (DINAVISA) and the Central Laboratory of the Ministry of Public Health and Social Welfare; the National Plant and Seed Quality and Health Service (SENAVE); the National Animal Quality and Health Service (SENACSA); and the Environment Secretariat (SEAM). They may be of two kinds: automatic and non-automatic. The former, as the name implies, are those that are granted subject to the sole requirement of completion of the necessary applications.

These automatic import licences are approved in all cases in which they comply with the legal requirements and are consistent with the provisions of Article 2 of the Agreement on Import Licensing Procedures of the World Trade Organization (WTO). Non-automatic import licences conform with the provisions of Article 3 of the aforementioned Agreement.

**Purposes and coverage of licensing**

2. The automatic licences are as follows: prior import licences for products of the iron and steel sector, beef cuts, mate, made-up articles, soya beans, wheat flour, medicines, cosmetics, perfumery products, toiletries, personal hygiene products, household sanitary products classified under risk categories I and II, cordage, narrow fabrics, elastic and woven, petroleum-based products, lubricating oils, greases and brake fluids.

An entry authorization is required for processed food products, food additives and packaging in contact with food.

An entry and marketing authorization is issued for proprietary pharmaceutical products, personal hygiene, toiletry and beauty products, household sanitary products classified under risk categories I and II, tobacco-based products, raw materials for the pharmaceutical and

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

the non-pharmaceutical and radioactive industry, reagents for clinical and laboratory analyses, and medical inputs and equipment.

Import authorizations are issued for live animals, genetic material, products and byproducts of animal origin, and biological products.

To obtain an Environmental Safety Certificate, it is necessary to produce an Environmental Licence under Law 294/93 on the assessment of the environmental impact of the recycling, importing or exporting enterprise. A once-renewable 20-day export-import licence is issued. Non-hazardous materials: may be scrap such as aluminium, iron, copper, bronze, PET plastics in general.

The ODS Import and Export Licence System (SILISAO): applies to ozone-depleting substances (ODS) and alternatives. (Import/export companies must have an Environmental Licence under Law 294/93).

Moreover, SILISAO applies to the following equipment and/or products: air-conditioning systems of all kinds; air-conditioning systems for vehicles (external); domestic refrigerators; freezers; refrigerated equipment for preserving and displaying products; heat pumps; cooling units for refrigeration; polyols; polyurethanes; and condensers, evaporators and compressors that use refrigerants.

For the purpose of controlling household sanitary products such as soap powder, bars of soap and detergents, importers must have an environmental licence and a household sanitary product certificate showing that the product does not contain sodium tripolyphosphate.

Non-automatic licences: meat and offal of fowls of the species *Gallus domesticus* included under tariff headings NCM 0207.11.00; 0207.12.00; 0207.13.00 and 0207.14.00, and sugar.

Products controlled by Law 1340/88 (narcotic drugs and psychotropic substances, chemical precursors).

Commercial importers must be registered with SENAIVE, as must the products for agricultural use, fertilizers, bio-fertilizers, inoculants, soil conditioners and related substances, and raw materials for fertilizer production they intend to import.

APIM (Prior Import Authorization): applies to agricultural pesticide products, fertilizers, bio-fertilizers, inoculants, soil conditioners and related substances, and raw materials intended for fertilizer production.

AFIDI (Phytosanitary Import Accreditation) SENAIVE Decree No. 139/93: adopting a phytosanitary accreditation system for imported plant products.

3. The application system covers all countries of origin and shipment.

In the case of SEAM for all the countries that have ratified the Vienna Convention, the Montreal Protocol and amendments, and the Basel Convention.

4. In the case of a prior automatic import licence, the procedure is not intended to limit either the quantity or the value of imports. Its purpose is administrative, to obtain statistical data and protect the health of the population through sanitary/zoosanitary and quality controls.

In the case of the prior non-automatic licence for meat and offal of fowls of the species *Gallus domesticus* included under tariff headings NCM 0207.11.00; 0207.12.00; 0207.13.00 and 0207.14.00, an overall quota is in place.

The products controlled by Law 1340/88 repressing illicit trafficking in narcotic substances and dangerous drugs and other similar offences and establishing preventive measures and rehabilitation for dependent individuals are subject to import precautions for safety reasons.

SEAM issues authorizations based on multilateral environmental agreements (AMUMA).

For materials that do not pose a threat to the environment and for household sanitary products, the licensing procedure is not intended to limit the quantity of imports but to control the quality, origin and traceability of the product.

5. The Agreement on Import Licensing Procedures of GATT 1994 incorporated in our national legislation by Law No. 444/94 ratifying the Final Act of the GATT Uruguay Round, together with the following laws and regulations:

- Health Code, Law No. 836/80;
- Law No. 1119/97 on health and other products;
- Law No. 1.340/88 amending and updating Law No. 357/72 and repressing illicit trafficking in narcotic substances and dangerous drugs and other similar offences and establishing preventive measures and rehabilitation for dependent individuals. Amended by Law No. 1881/022;
- Law No. 115/90 amending Articles No. 270 and No. 272 of the Health Code, Law No. 836/80;
- Decree No. 1635/99 regulating Article 175 of Law No. 836/80 (Health Code);
- Decree No. 187/50 on the operation of pharmacies, drug stores and other similar establishments throughout the Republic;
- Decree No. 897/2008 creating the register of exporters and importers and establishing prior export and import licensing for iron and steel products;
- Decree No. 8153/06 authorizing the importation of beef cuts;
- Decree No. 6115/2011 creating the National Register of Packaging in Contact with Food (RNE) and declaring it mandatory throughout the territory of the Republic;
- Decree No. 8832/69 updating the regulations of Article 24 of Law 2.001 insofar as they pertain to hygiene and beauty articles and repealing Decree No. 8.466 of 18 January 1937;
- Decree No. 8342/95 establishing regulations for pharmaceutical establishments and the like, partially amending provisions of Decree No. 187/50 and repealing Decrees 1730/68;
- Decree No. 3214/09 establishing as a requirement for the importation and marketing of personal hygiene products, cosmetics, perfumery and household sanitary products

classified under risk categories I and II a prior import licence to be issued by the Ministry of Industry and Trade (MIC) establishing the validity period for the fees regulated by Decree 1738/09 of 21 October 2009;

- Decree No. 1443/09 creating the register of importers and establishing prior import licensing for the importation of meat and offal of fowls of the species *Gallus domesticus* included under tariff headings NCM 0207.11.00; 0207.12.00; 0207.13.00 and 0207.14.00, dated 9 February 2009;
- Decree No. 8013/11 extending the period laid down in Article 9 of Decree No. 1443/09 creating the register of importers and establishing prior import licensing for the importation of meat and offal of fowls of the species *Gallus domesticus* included under tariff headings NCM 0207.11.00; 0207.12.00; 0207.13.00 and 0207.14.00, dated 9 February 2009;
- Decree No. 10397/07 establishing minimum quality levels for fuels, extending Decree No. 10.911/00 regulating the refining, importation, distribution and marketing of petroleum-based fuels and repealing Resolution No. 435/01;
- MIC Resolution No. 173/2011 regulating Decree No. 897 of 20 November 2008 creating the register of exporters and importers and establishing the prior export licensing regime for iron and steel products;
- MIC Resolution No. 892/11 creating the register of importers and establishing the prior automatic import licence for iron and steel products;
- MIC Resolution No. 538/06 establishing the administrative procedures for the importation of beef cuts;
- MIC Resolution No. 607/06 partially amending Resolution No. 538/06;
- MIC Resolution No. 251/02 creating the sugar importers register and establishing the prior import licensing regime;
- MIC Resolution No. 631/08 regulating Article 3 of Resolution 251/02 and establishing the requirements for the granting of prior import licences for sugar, dated 8 August 2008;
- MIC Resolution No. 51/09 regulating Decree No. 1421/09 creating the register of importers in the made-up articles sector and establishing the prior import licensing regime, dated 5 February 2009;
- MIC Resolution No. 476/06 establishing prior import licensing for soya beans, dated 21 August 2006;
- MIC Resolution No. 807/07 creating the register of wheat flour importers and establishing prior import licensing for wheat flour, dated 12 October 2007;
- MIC Resolution No. 171/09 regulating the importation and marketing of household insecticides;

- MIC Resolution No. 1029/09 regulating the importation and marketing of personal hygiene products, cosmetics, perfumery and household sanitary products under risk category I and repealing MIC Resolution No. 646 of 13 August 2008;
- MIC Resolution No. 407/11 creating the register of importers and establishing the prior import licence for certain products (NCM 5806.20.00, 5806.32.00 and 5607.90.10);
- MIC Resolution No. 760/01 broadening and supplementing Resolution No. 435/01 establishing the minimum quality standards for fuels;
- MIC Resolution No. 900/11 establishing new technical specifications for fuels imported into and marketed in Paraguay;
- MIC Resolution No. 74/09 regulating Decree No. 1443/09 creating the register of importers and establishing prior import licensing for the importation of meat and offal of fowls of the species *Gallus domesticus* included under tariff headings NCM 0207.11.00; 0207.12.00; 0207.13.00 and 0207.14.00 of 9 February 2009, dated 17 February 2009;
- Resolution S.G. No. 385/2011 repealing Resolutions S.G. No. 885 of 4 December 2007 and S.G. No. 015 of 16 January 2008; and establishing new requirements for the obtaining, transfer, renewal, amendment, suspension and cancellation of sanitary registrations for food products, beverages and additives for human consumption, controlled by the National Food and Nutrition Institute (INAN), and approving the glossary of terms, the forms and the instructions for submitting them;
- Decree No. 5294/10 repealing Decree 15298/01 and establishing conditions for the importation of non-marketable food products. In the categories: donations, gifts, samples for food industry acceptance tests, and food product samples for market research;
- Resolution No. 110/12 repealing Resolution S.G. No. 619 of 30 November 2001 regulating the terms and conditions for the issuing of import documents for non-marketable food products, and establishing new requirements for obtaining import documents for non-marketable food products controlled by the National Food and Nutrition Institute (INAN);
- Resolution S.G. No. 361/2011 repealing Resolution S.G. No. 141 of 31 March 2008 setting out the requirements for the registration of food product and food additive establishments, approving the application form for the authorization and renewal of registrations; and setting out the requirements for the registration of food establishments, its renewal, general rules, the forms and the instructions for submitting them;
- Resolution S.G. No. 112/2012 amending and broadening Resolution S.G. No. 361 of 12 May 2011 repealing Resolution S.G. No. 141 of 31 March 2008 setting out the requirements for the registration of food product and food additive establishments;
- Resolution S.G. No. 380/2011 establishing the terms and conditions for obtaining and renewing the national registration of packaging in contact with food, controlled by the National Food and Nutrition Institute (INAN);

- Law 2426/2004 creating the National Animal Quality and Health Service (SENACSA);
- Law No. 61/92 approving and ratifying the Vienna Convention for the Protection of the Ozone Layer; the Montreal Protocol on Substances that Deplete the Ozone Layer; and the Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer;
- Law No. 1.507/99 approving the Amendments to the Montreal Protocol on Substances that Deplete the Ozone Layer adopted in Copenhagen and Canada;
- Law No. 2.889/06 approving the Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer;
- Decree No. 12685/08 on the regulations concerning the control of substances that deplete the ozone layer and the use of alternative technologies;
- Law No. 583/76 approving and ratifying the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and its regulations under Decree No. 970/12;
- Law No. 123/91 adopting new phytosanitary protection measures;
- Law No. 96/92 on wildlife;
- Law No. 567/95 approving the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal;
- Law No. 1262/98 approving the amendment to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal;
- Law No. 2309/03 approving the Cartagena Protocol on Biosafety to the Convention on Biological Diversity;
- Law No. 2.459/04 creating the National Plant and Seed Quality and Health Service - SENAIVE;
- Law No. 2.333/04 approving the Stockholm Convention on Persistent Organic Pollutants;
- Law No. 1910/02 on weapons, ammunition and explosives;
- SEAM Resolution No. 1185/06 establishing the official terms of reference (TOR) for the introduction of exotic species of flora;
- SEAM Resolution No. 1184/06 establishing the official terms of reference (TOR) for the introduction of exotic species of fauna;
- Decree No. 18.352/02 regulating the importation and marketing of cement, dated 26 August 2002;

- MIC Resolution No. 962/06 regulating the procedures for the registration of cement importers, dated 28 December 2006;
- Decree No. 1421/09 creating the register of importers of products from the made-up articles sector and establishing the prior import licensing regime, dated 5 February 2009;
- Law No. 4.397/11 prohibiting the use of sodium tripolyphosphate in domestic and/or foreign household sanitary products throughout the national territory and its implementing Decree No. 7505/11;
- MIC Resolution No. 201/06 establishing prior import licensing for toasted mate, dated 21 April 2006;
- MIC Decree No. 1775/99 regulating the importation of magnetic media for sound and similar recordings (discs and magnetic tapes);
- Decree No. 10106/00 extending the scope of Decree No. 1775/99 of 27 January 1999;
- Resolution No. 134/99 regulating Decree No. 1775/99 and establishing the Office for the Registration of Importers of Digital or Analog Recording Media - RISGDA (compact discs and magnetic tapes);
- SENAVE Decree No. 18425/02 updating the list of narcotic substances and dangerous drugs, pursuant to Article 1 of Law No. 1340 of 22 November 1988, and establishing rules for the use and marketing thereof;
- SEAM Resolution No. 374/07 creating the environmental safety certificate, the register of importers and exporters, and the register of certifying, recycling and consultancy firms working with non-hazardous recyclable materials, establishing fees, and regulating procedures;
- Law No. 3742/09 on the control of phytosanitary products for agricultural use;
- Resolution No. 446/06 approving and ordering the entry into force of the SENAVE regulations on the control of agricultural pesticides;
- Resolution No. 564/10 updating the rules for the control of fertilizers, bio-fertilizers, inoculants and soil conditioners for agricultural use and repealing Resolution No. 789/04;
- Resolution 307/10 regulating the registration of raw material for the manufacture, formulation and packaging of fertilizers;
- SENAVE Resolution No. 107/12 implementing the new prior import authorization system for pesticides, fertilizers, soil conditioners and related substances (APIM) and establishing new guidelines for the importation of pesticides, fertilizers, soil conditioners and related substances;
- SENAVE Resolution No. 241/12 establishing the requirements for the introduction and scale-up of seeds of varieties in the pre-commercial stage pursuant to Law No. 385/94 on Seeds and Protection of Plant Varieties.

Yes, licensing is mandatory for a specified universe of goods.

The legislation stipulates that the designation of the products to be subjected to licensing is left to the discretion of the relevant administration.

The executive branch does not need to obtain legislative approval in order to abolish these licensing systems. Except in those cases in which the licences are established by international agreements or national laws.

### **Procedures**

- 6.I. The allocation of quotas and the overall amount are established in the regulations, they are determined in accordance with the relative participation of each importer, a margin being left for new importers and in special cases for emergency situations.

In the case of imports of medicines and chemical precursors, there is no quantitative limitation on importation, except for the annual forecast requirement for the goods controlled by Law No. 1340/88. There is provision for exceptions to the rule.

In the case of SEAM, information concerning the allocation of quotas and on the formalities for submitting licence applications is published on the SEAM web page where ODS are concerned. The amount of the overall import quota, the quantity for allocation, the quantity assigned to importers who may not have obtained an individual quota, the quantity reserved for exceptional cases, the importers to whom individual quotas have been assigned and the corresponding amounts are also published.

- II. For the products controlled by Law 1340/88 the quotas are determined by annual forecast.

In the case of poultry quotas the volume is determined on a monthly basis.

The quotas for substances controlled by the Vienna Convention and the Montreal Protocol are determined on a yearly basis.

- III. Licences are allotted to all the importers enrolled with the National Customs Directorate and in the respective registers of the Ministry of Industry and Trade, the Ministry of Public Health and Social Welfare (DINAVISA) and the Environment Secretariat (SEAM).

Certificates are issued for presentation together with the rest of the documentation required at the time of clearance of the goods.

Quotas cannot be accumulated.

The information is available at the request of the interested parties.

Moreover, in the case of ODS the names of importers to whom licences have been allocated on the basis of IPIC (Informal Prior Informed Consent) can be made known to other governments.

- IV. Applications are submitted for each import operation. Licences are allocated to anyone interested in importing goods mentioned in the reply in paragraph 2 of this document. Quantities allocated but not used are not added to quotas for a succeeding period.



- V. Automatic and non-automatic licences are issued within the time-limits stipulated in the Agreement.
- VI. See paragraph 14, period of validity of import licences.
- VII. The administrative organs are those mentioned in the previous replies. Products generally require approval and registration by more than one administrative organ.
- VIII. The criterion of chronological order of submission of the applications is used for processing all import licences. There are no limits on the quantity of licences per importer, except insofar as the products are subject to an overall quota or forecast.

In the case of SEAM, the overall import quota for ODS is distributed as follows:

- Eighty per cent for allocation in individual quotas;
- ten per cent to meet the needs of importers who may not have obtained an individual import quota; and
- ten per cent for exceptional cases.

To determine the amounts of the individual quotas corresponding to each of the interested parties who have applied, SEAM will take into account the amount requested and the average of the imports, with respect to the ODS for which a quota is requested, effected by each applicant in the three calendar years prior to submission of the application.

- IX. Not applicable. See item IV above. For controlled products an exporting country export permit is required.

In the case of SEAM, import licences are always required, irrespective of whether the country of origin issues export permits. The licences are not issued automatically.

- X. This mechanism is not used in the procedures for processing the licences previously mentioned.

- XI. No.

- 7.(a) Licence applications can be submitted on any working day preceding the date of import clearance. If all the requirements for granting a licence are met, a licence may be issued within a shorter time-limit.

- (b) If, for various reasons, the product has not arrived within the time stipulated and an application has been submitted, then yes an extension can be granted, provided a request is made.

- (c) There are no limitations as to the period of the year during which licence applications can be made.

- (d) See reply to question 6.VII.

Products generally require approval and registration by more than one administrative organ.

8. There are no reasons for refusal other than those that derive from failure to comply with the requirements and in all cases the interested party is notified so that the errors observed can be rectified.

Where a licence is denied by the SEAM, an application for reconsideration may be made to that organ.

In the case of ODS, a licence application may be refused if the information provided by the importer does not correspond with the results of analyses carried out on samples of the goods.

In all cases of refusal, administrative proceedings may be initiated.

#### **Eligibility of importers to apply for a licence**

9. Yes, they are eligible, provided they are enrolled in the corresponding register.

All importers are eligible to apply for licences, the only requirement being that they be enrolled as such in the register of importers of the National Customs Directorate and in the registers of importers of the respective organs previously mentioned. All persons and enterprises are entitled to register. Yes, there is a registration fee.

#### **Documentational and other requirements for application for licence**

10. The information required in import licence applications is indicated on the respective application forms. (See annexes to the resolutions in force.)

In the case of INAN, the requirements for issuing a Valid Registration Certificate are:

- Application form for a Food Product Sanitary Registration Validity Certificate (sample attached);
- two (2) authenticated copies of the commercial invoice;
- copy of the bill of lading or waybill for transport by land, sea or air;
- copy of the importer's Single Taxpayer Registration (RUC).

The following forms are attached:

- Application form for a Food Product Sanitary Registration Validity Certificate;
- application for authorization of non-marketable food products. Category: industrial acceptance samples.

In the case of SENACSA, samples of the Application for Company Registration and List of Accompanying Documents and the Application to Import Products and By-products of Animal Origin are attached.

For SEAM, in the case of equipment: commercial invoice and technical data sheet indicating the gas with which the equipment operates. In the case of substances (ODS and alternative refrigerants): bill of lading, commercial invoice and MSDS of the substance to be imported.

11. Each law or regulation specifies the necessary documents. In all cases, in addition to the import licence or authorization, the documents needed for import clearance are required.

In the case of SENACSA, the import authorization issued by SENACSA and the sanitary/zoosanitary certificate issued by the country of origin.

In the case of SENAIVE, the documents required for importation are: prior import authorization (APIM), compliance with Resolution MAG No. 443/94, certificate of origin of the product, chemical analysis of the product corresponding to the batch imported, and the expiry date.

12. In the case of SENACSA, in accordance with Decree 7058 of 1 August 2011, automatically updating the tariffs collected for the services provided by SENACSA. The costs vary depending on the nature of the product, the animal species, animal reproductive material, products, byproducts and derived products of animal origin, and type of veterinary products and are updated in accordance with the minimum daily wage in force and f.o.b. value. Details of the fees relating to imports are annexed.

There are no fees for licences issued by the MIC.

In the case of INAN, the tariffs are established by Resolution S.G. No. 484/2011 updating and extending the table of tariffs for the provision of services by the National Food and Nutrition Institute approved by Resolution S.G. No. 47 of 14 February 2008.

In the case of DINAVISA, one-time authorizations pay a tariff of Gs. 280,000 (two hundred and eighty thousand Guaranis), other applications pay Gs. 180,000 (one hundred and eighty thousand Guaranis). The Collection Unit is responsible for collecting these tariffs.

In the case of agricultural chemicals. In the case of SENAIVE, 1 per cent of the f.o.b. value of the shipment.

In all cases the amounts are periodically updated.

13. The issuing of an import licence is not associated with the lodging of any deposit or advance payment.

### **Conditions of licensing**

14. The period of validity of import licences is as follows:

- Prior import licence for personal hygiene products, cosmetics, perfumery and household sanitary products in risk categories I and II: between thirty (30) and sixty (60) working days from the date of issue.
- Prior import licence for iron and steel products, personal hygiene products, cosmetics, perfumery and household sanitary products in risk categories I and II: thirty (30) working days from the date of issue.
- Prior import licence for beef cuts, sugar, made-up articles (NCM Chapters 61, 62 and 63), soya beans, wheat flour, household insecticides, meat and offal of fowls of the species *Gallus domesticus*, iron and steel products (NCM 7306.30.00 and 7306.61.00), cordage, narrow fabrics, elastic and woven (NCM 5806.20.00; 5806.32.00; 5607.90.10): thirty (30) calendar days from the date of issue, with the possibility of extension.

Licences granted for the purpose of importing products controlled by Law No. 1340/88 are valid for 120 days, i.e. the period between the granting of the authorization and actual importation.

In the case of a prior import licence for petroleum-based products, lubricating oils, greases and brake fluids, the regulations do not provide for a period of validity.

In the case of SENACSA for products for veterinary use, 30 calendar days from the date of issue. There is a possibility of extension, depending on the validity of the international veterinary certificate, the expiry of the diagnostic evidence, and the health status of the country origin or shipment of the goods.

The Food Product Sanitary Registration Validity Certificate is valid for thirty (30) calendar days.

For ODS, the import licence is valid for four months; Environmental Safety Certificate: 20 days and Sodium Tripolyphosphate-Free Certificate: 30 days. In the case of CITES the period of validity is six months for importation, exportation and re-exportation.

In the case of SENAIVE, the period of validity is 3 (three) months, renewable for 3 (three) further months upon application and payment of the corresponding fee.

15. Once an import licence has been issued, there is no penalty for total or partial non-utilization.
16. Licences are non-transferable and only issued to the holders themselves or authorized persons or agents duly accredited as such.
17. There are no conditions other than those mentioned attached to the issue of a licence.
  - (a) In the case of SEAM, for the importation of ODS apart from the documentational requirements mentioned above, the substances imported must satisfactorily pass the chemical analysis carried out on them. Once the whole of the quota granted has been used, there is an administrative procedure for requesting the granting of an exceptional one-time quota, where appropriate.
  - (b) The case does not arise.

**Other procedural requirements**

18. There are no requirements other than those mentioned above.
  19. The foreign exchange market is free.
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