

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

Notification under Article 7.3 of the Agreement on  
Import Licensing Procedures

URUGUAY

The following communication, dated 4 October 2011, is being circulated at the request of the delegation of Uruguay.

Outline of systems

1. Automatic licensing in Uruguay:

- Licences for a group of textile headings for trade with third countries. Decree No. 394/00.
- Licences for the importation of oils, irrespective of origin (Mercosur Common Nomenclature (NCM) headings 1507.90.11.00, 1507.90.19.00, 1512.19.11.00, 1512.19.19.00, 1515.29.10.00, 1515.29.90.00, 1515.90.00.19, 1515.90.00.99, 1517.90.10.00 and 1517.90.90.00). Decree No. 275/001.
- Licences for all footwear headings (Chapter 64), irrespective of origin. Decree No. 251/005.
- Raw and refined sugar for industrial purposes, irrespective of origin (NCM headings 1701.11.00.00, 1701.12.00.00) and refined sugar (NCM headings 1701.91.00.00 and 1701.99.00.00). Decrees Nos. 57/006 and 284/011.
- Products of the automotive industry:
  - Granting of benefits and quota control. Decrees Nos. 316/92 and 60/99.
  - New vehicles. Decree No. 727/991 as reworded in Decree No. 225/005.
- Exemptions from import prohibition: Article 318 of Law No. 18.172: Diesel engines and Kits. Decrees Nos. 290/008 and 277/009.

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

- Licences for the importation of publishing paper. Decree No. 218/996 (NCM heading 4801.10.00.00).
- Licences for the importation of acetic acid. Decree No. 75/009 (NCM headings 2915.21.00.10 and 2915.21.00.90).

#### Non-automatic licensing in Uruguay

Purpose of licences: (statistical purposes for textiles and footwear), price control in the case of oils, granting of tariff preferences to third countries (automotive industry), granting of tariff exemptions on domestic products (publishing paper, vehicles, sugar) and health care (acetic acid).

#### Purposes and coverage of licensing

2.

- Licences for a group of textile headings for non-Mercosur countries.
- Licences for the importation of oils (NCM headings 1507.90.11.00, 1507.90.19.00, 1512.19.11.00, 1512.19.19.00, 1515.29.10.00, 1515.29.90.00, 1515.90.00.19, 1515.90.00.99, 1517.90.10.00 and 1517.90.90.00).
- Licences for all footwear headings applicable to products of any origin.
- Raw sugar (NCM headings 1701.11.00.00, 1701.12.00.00) and refined sugar (NCM headings 1701.91.00.00 and 1701.99.00.00).
- Import licences for new vehicles. Any vehicle entering the country requires the relevant authorization, issued by the National Directorate of Industry (DNI). The DNI also checks vehicle c.i.f. values. The National Customs Directorate collects import tariffs on the c.i.f. value provided by the DNI. Decrees Nos. 128/70, 473/70, 727/91, 316/92, 340/96, 60/99 and 273/99.
- Licences for the importation of publishing paper. Decree No. 218/996 (NCM heading 4801.10.00.00).
- Acetic acid (NCM headings 2915.21.00.10; 2915.21.00.90).

3. Answered under point 1.

4. Licensing is not intended to restrict the quantity of imports. In the case of car imports, the National Directorate of Industry checks the values. Licence approval is automatic.

5. Licences for textiles, footwear, oils, publishing paper, and acetic acid were introduced by Executive Decrees which specify the tariff headings and places of origin coming under the system.

Licensing is therefore mandatory in cases where this is established by Decree, and the application or non-application of the system is not left to administrative discretion.

The single customs document (DUA) also establishes, as a prerequisite for registration, the licence number granted by the body to which application is made. The DUA cannot, therefore, be registered in the absence of the corresponding licence, where this is required by the licensing decree.

The Executive may abolish the system without legislative approval.

### Procedures

6.I-IV. Apart from the automotive regime, there are no quotas for or restrictions on the importation of goods subject to a licensing obligation. Imports of sugar and publishing paper are based on an assessment of the normal consumption and/or local market prices of the importing companies.

V. The minimum length of time for the processing of licences for oils, sugar, (footwear, textiles), publishing paper, acetic acid and products of the automotive industry is 48 hours, and the maximum is ten working days.

VI. Upon approval of the licence, the DUA may be registered immediately.

VII. In the case of licences for oils, footwear and textiles, publishing paper and acetic acid, the interested party submits the application to the National Directorate of Industry. The data are processed, the licence is issued and communicated directly to the National Customs Directorate (electronically). Licences for oils, footwear and publishing paper are issued in hard-copy form with the signature of the National Director of Industry. The interested party must submit it to the National Customs Directorate (DNA).

To obtain a sugar import licence, the firm concerned must first register with the Technological Laboratory of Uruguay (LATU) providing the following information: identity of the import intermediary, single tax payer identification number (RUC), Social Insurance Bank (BPS) details and domicile; the volume of sugar to be imported; the classification of the sugar to be imported according to the provisions of Article 19 of the relevant Decree; the import intermediary's *pro forma* invoice detailing the conditions of sale (delivery date, method of payment and means of transport) or in cases of direct importation, that is with no intermediary, the c.i.f. value of imports and all entry costs; and a *pro forma* invoice from a domestic sugar manufacturer for the same quantity as specified in paragraph (B), the same classification as specified in paragraph (C) and under the same terms of purchase as specified in paragraph (D). If a *pro forma* invoice cannot be obtained from any domestic sugar manufacturer, supporting documents are to be submitted as proof that it was requested, at least ten working days prior to the application, in a proper and timely fashion.

With regard to the certificates relating to the automotive industry issued by the National Directorate of Industry (DNI):

Article 1 of Decree No. 727/991 of 30 December 1991 entrusts the DNI with the task of checking the prices of vehicles for import. It also determines whether authorization is required for vehicle importation.

Vehicle importers registered with the DNI may be eligible for the benefits provided for in Decree No. 316/992 of 7 July 1992 and Amendments Nos. 60/999 and 273/999 thereto, of 3 March 1999 and 10 September 1999 respectively.

The National Directorate of Industry issues import licences upon submission of substantiated applications by interested importers, supported by documentary evidence that the goods to be imported are: (A) engines for the propulsion of vehicles of Chapter 87 of the NCM, of a cylinder capacity exceeding 3,500 cm<sup>3</sup> (NCM heading 8408.20.90.00); (B) intended to replace engines that are impossible to repair as a result of an accident or major damage, or which warrant replacement by the original supplier in compliance with the terms of warranty; (C) intended for agricultural or industrial machinery; (D) intended for industrial assembly of public transport or freight vehicles, where the

engines or kits for which the licence is being applied for are to be used in the assembly of such vehicles.

These Decrees provide as follows:

Exporters of vehicles assembled in the country or of car parts (registered with the DNI) submit the single customs document (DUA) for the corresponding export with the request that 10 per cent, 7 per cent or 6.5 per cent of the total f.o.b. value be credited to their individual current account (the choice of percentage being left to the applicant). When 7 per cent or 6.5 per cent is credited, a certificate is issued for submission to the Directorate-General of Taxation (DGI), for the purpose of obtaining reimbursement of import duties in accordance with the provisions of Decree No. 558/994 of 21 December 1994 and above-mentioned Decree No. 60/999 of 3 March 1999.

These firms may then transfer the money from their current account to the importers of vehicles assembled in the place of origin. The conditions of transfer are a matter for the individual firms - the application to the DNI concerns a specific dollar amount. In this way, the overall tariff rate payable by the importing firm may be reduced by up to 13.5 per cent of the c.i.f. value of the vehicle, this amount being taken from its current account.

Decree No. 60/999 and Amendment No. 273/999 thereto also provide that, once 90 days have elapsed from the date of export, the amount credited to the firm's current account (10 per cent, 7 per cent or 6.5 per cent of the total f.o.b. export value) may, if it was not used for purposes of transfer to another company, be allocated for the payment of taxes to the DGI. The National Directorate of Industry issues the corresponding certificate for submission to the DGI for the purpose of obtaining reimbursement of import duties in accordance with the provisions of Decree No. 558/994 of 21 December 1994 and above-mentioned Decree No. 60/999 of 3 March 1994.

Other decrees regulating the automotive industry and closely related to the above-mentioned Decree No. 340/96 are Decree No. 128/970 of 13 March 1970 and the expanded version thereof contained in Decree No. 473/970 of 1 October 1970.

VIII-XI. Not applicable since these are automatic licences for statistical or price-control purposes, involving no restriction on imports.

7.(a-d) All licence applications are dealt with in chronological order and no processing period is specified.

Nor is there any provision for the urgent processing of licence applications.

(Textiles, footwear) and oils: licences are submitted to the National Directorate of Industry of the Ministry of Industry, Energy and Mines (MIEM) for processing. In addition to the approval of the National Directorate of Industry, that of the Trade Policy Advisory Unit of the Ministry of the Economy and Finance is also required. The importer thus deals with only one body. Licences for publishing paper are submitted for processing and approval to the Paper Commission, which is under the purview of the DNI.

In the case of sugar and capital goods, licences are submitted for processing and approval to the National Directorate of Industry.

8. Not applicable.

### Eligibility of importers to apply for licences

9. The importer or body authorized to engage in importation is entitled to apply for a licence on the basis of registration with the National Customs Directorate, under the authority of the National Directorate of Industry of the MIEM, which is where the licence application procedure is initiated.

In the case of sugar, licence applications may be submitted only by industrial enterprises which demonstrate that the product is used for industrial purposes.

In the case of paper, licence applications may be submitted only by publishers which demonstrate that the paper is used for publishing purposes.

### Documentation and other requirements for licence applications

10. The forms have not changed from those available previously. Presentation of a commercial invoice will be requested in all cases.

11. The documents normally needed for the issue of the single customs document (DUA) are required in all cases.

12. The National Directorate of Industry charges UR 0.2 per licence. The adjustable unit (UR) is an adjustable amount based on the average wage index and calculated by the National Statistical Institute.

13. This is not the case in Uruguay.

### Conditions of licensing

14. The licences referred to are valid for 60 days, except for those relating to the automotive sector, which are valid for 90 days. Longer periods require a new licence application to be submitted.

15. There is no penalty for the partial utilization or non-utilization of a licence.

16. Licences are not transferable.

In the case of sugar, once the licence has been granted and during the period of its validity, it may be transferred between importers, with the prior agreement of the DNI, provided that there is no change to the authorized volume or the industrial enterprise which uses the input.

17. There are no other conditions.

### Other procedural requirements

18-19. Possession of a licence is not a prerequisite for obtaining foreign exchange. Foreign exchange is freely available in Uruguay and there are no restrictions on the transfer of capital or profits from or to foreign countries.

Note: List of acronyms used in this document:

MIEM - Ministry of Industry, Energy and Mines  
DNI - National Directorate of Industry  
MEF - Ministry of the Economy and Finance  
APC - Trade Policy Advisory Unit  
DNA - National Customs Directorate  
DUA - Single Customs Document  
DGI - Directorate-General of Taxation  
BPS - Social Insurance Bank  
UR - Adjustable Unit  
INE - National Statistical Institute

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