

IMPORT LICENSING SYSTEM OF ARGENTINA

Replies by Argentina to the Questions from PERU¹

The following communication, dated 5 May 2009, is being circulated at the request of the delegation of Argentina.

Question:

Peru wishes to put the following questions to Argentina concerning the addendum to notification G/LIC/N/2/ARG/12 (of 6 July 2007), circulated on 19 January 2009 as document G/LIC/N/2/ARG/12/Add.1:

1. *Resolution 343/2007 states that, in order to evaluate import behaviour regarding certain textile products, it is necessary to establish a pre-release verification mechanism on a temporary basis to monitor and control imports of such goods, and it was therefore decided to establish the Textile Product Import Certificate (CIPT).*
 - (a) *Would Argentina please explain why the number of tariff items subject to non-automatic licensing has increased pursuant to Resolution 330/2008, since the mechanism was established two years ago on a temporary basis?*

Reply:

The international textiles and clothing market has undergone significant changes over the last two years. Current international market conditions are more problematic and troubled as a result of falling demand in the major importing countries and rising inventories of exportable goods in the major exporting countries. This volatility of the international market explains the increased number of products covered by the mechanism.

Question:

- (b) *Given the temporary nature of the mechanism, has Argentina determined how much longer it will apply?*

Reply:

Application of the mechanism is determined by international textiles and clothing market conditions; the system will remain in force for as long as the current unfavourable conditions - as mentioned above - persist.

¹ See document G/LIC/Q/ARG/7.

Question:

- (c) *Has the Argentine Government considered other more appropriate and less trade-restrictive procedures than non-automatic import licensing in order to achieve the objective pursued by this mechanism (i.e. monitoring and control of import transactions)?*

Reply:

The Government has considered a number of procedures and is of the opinion that this system is the most appropriate and least trade-restrictive under the present circumstances.

Question:

2. *The Government of Peru has received reports from its export sector regarding the time it takes to issue CIPTs, which largely exceeds the periods laid down in Article 3.5(f) of the Agreement on Import Licensing Procedures. Would Argentina please explain the reasons for the difference between the periods indicated and those which Peruvian exporters have experienced in practice in recent months? It is important to note Argentina's replies to the questionnaire on import licensing procedures (G/LIC/N/3/ARG/5, of 10 September 2008), which state that the minimum and maximum period for processing applications for import certificates is 10 and 30 calendar days, respectively. Argentina also reports that the allocation of all import licences to applicants is on a first-come, first-served basis. The application processing period should not, therefore, be more than 30 days.*

Reply:

Applications for non-automatic import licenses used to be examined on a first-come, first-served basis; at present they are examined simultaneously.

Question:

3. *Peru notes that Resolution 343/2007 has been amended once again by Ministry of Production Resolution 61/09 of 4 March 2009, which further extends the range of tariff items subject to non-automatic licensing. When will this be notified by Argentina?*

Reply:

Resolution 61/2009 was notified in document G/LIC/N/2/ARG/16 of 19 March 2009.
