

BRAZIL'S NON-AUTOMATIC IMPORT LICENSING PROCEDURES

Questions from CHINA to BRAZIL

Addendum

The following communication, dated 29 September 2009, is being circulated at the request of the delegation of the People's Republic of China.

China thanks Brazil for its communication G/LIC/Q/BRA/11.

At the October 2008 meeting of the Committee on Import Licensing, China requested Brazil to submit information concerning its non-automatic import licensing requirements. The United States and Thailand made similar request to Brazil during the October 2008 and April 2009 meetings of the Committee, respectively. Since this matter was raised in the Committee, the time required for Brazil to grant non-automatic import licenses has decreased and generally appears to be in line with applicable deadlines. However, China still has a number of concerns.

In particular, for the purpose of the 19 October 2009 meeting of the Committee, China would ask Brazil to explain the specific criteria used to determine which goods require non-automatic import licenses. China raised this matter in its communication of 16 October 2008 (G/LIC/Q/BRA/5). In its document G/LIC/Q/BRA/11, Brazil replied that: "Decisions regarding the requirement of non-automatic import licensing procedures follow criteria compatible with the provisions of WTO Agreements." This reply does not answer the question raised by China.

China has set out below questions to Brazil regarding its non-automatic import licensing procedures. China is providing these questions in advance of the 19 October 2009 meeting of the Committee, so that Brazil will be prepared to provide full, substantive replies at that meeting and in writing.

1. Please explain in detail the criteria used to determine which goods require non-automatic import licenses.
2. For each criteria used by Brazil to determine the goods that require non-automatic import licenses, please list the provision(s) of the WTO Agreements with which Brazil considers the criteria to be compatible with an explanation of such compatibility.
3. In document G/LIC/Q/BRA/11, Brazil states that "[t]oys are subject to non-automatic import licensing procedures because there are technical regulations that they must comply with." Article 3.2 of the *Agreement on Import Licensing Procedures* provides that "Non-automatic licensing shall correspond in scope and duration to the measure they are used to implement, and shall be no more administratively burdensome than absolutely necessary to administer the measure."

- Please provide information on the specific measure that the non-automatic licensing scheme with respect to toys is used to implement.
 - Please explain how the non-automatic licensing regime for toys is “no more administratively burdensome than absolutely necessary” to administer this measure.
 - Please list the information that must be provided in an application for a non-automatic import license. Please also list any additional or different information required with respect to toys.
 - Please explain in detail the procedures followed by Brazil in considering applications for non-automatic import licenses. Please also explain any additional or different procedures with respect to toys.
 - If there are any additional / different information requirements or procedures for toys, please explain how this is consistent with Brazil’s obligations under Article 1.3 of the Agreement that import licensing procedures must be “neutral in application” and “administered in a fair and equitable manner.”
-