

NOTIFICATION OF REPLIES TO THE QUESTIONNAIRE ON IMPORT LICENSING
PROCEDURES UNDER ARTICLE 7.3 OF THE AGREEMENT¹

Questions from the EUROPEAN COMMUNITIES to CANADA²

The following communication, dated 11 March 1996, has been received from the Permanent Delegation of the European Commission.

1. If a safeguard measure is imposed by Canada under the form of a quantitative restriction, the management of this quota is subject to the Export and Import Permits Act (page 17). Could Canada explain how such quota is allocated among applicants: past performance (preferred method under Article 3.5(j) of the WTO Agreement), chronological order, auction, or another method? This information is only given for specific product groups, but not in general.
2. Under the Export and Import Permits Act, the Governor-in-Council may include a product subject to a safeguard measure on the Import Control List "*for the period that, in the opinion of the Governor-in-Council, is necessary to prevent or remedy the injury*" (page 17, 4th indent). How can this apparent discretion be reconciled with Article 7.1 of the WTO Agreement on Safeguards which provides for a maximum duration of four years?
3. Under the Export and Import Permits Acts, import licences have a validity of 30 days with possible extension (page 18). For which duration can an extension be granted? How many successive extensions are possible? Does Canada consider that this (short) 30-day duration conforms to Article 3.5(g) of the WTO Agreement, which provides that the period of licence validity shall be of reasonable duration and shall not preclude imports from distant sources?
4. Could Canada indicate the substantive and procedural conditions under which the import of a product may be subject to surveillance/automatic licensing under the Export and Import Permits Act? Is the surveillance applied on a selective basis or on a MFN basis?
5. Carbon and speciality steel is cited as an example of automatic licensing (page 37). Where it is mentioned that licences are granted "*immediately*" (page 38, Reply 7), does that mean on the day of application?

¹G/LIC/N/3/CAN/1.

²See Understanding reached by the Committee on Import Licensing (G/LIC/M/4, paragraphs 5, 6, 9 and 10).