

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

Questions from the UNITED STATES to CANADA²

The following questions were posed by the delegation of the United States at the third meeting of the Committee concerning the notification provided by Canada under Article 7.3 of the Agreement¹.

(Ref. Part VII - Export and Import Permits Act)

- Reply 5, page 17: Who determines that an article is "*scarce in world markets or in Canada*"?
- Reply 17, page 18: Please provide an example of "*very particular circumstances*" and the "*special conditions*" that may be attached.
- Dairy Products, Reply 6, page 19: Please explain how the remainder of the tariff-rate quota for yoghurt is allocated to "*those importers who make application*". Who are eligible to apply for a licence? Are all applicants granted licences? Does a qualification threshold exist? Reference the tariff-rate quota for 1995/1996 for heavy cream, explain how "*allocations are made in priority to importers with established distribution lines*". Are they historical importers? Did they receive a licence for the same article in the previous year? If not, how does Canada determine who qualifies as an importer "*with established distribution lines*"? What kind of proof is required to determine that an importer applicant has a distribution line in place for this product? Are standards in this regard published?
- Dairy Products, Reply 6.III, page 19: Explain how and when it is determined that the previous year's quota allocation is under-utilized? What does "*normally be reduced*" mean? Are there exceptions for special circumstances, and if so, do such exceptions apply to imports of chicken, turkey and eggs and broiler hatching eggs and chicks?
- Beef and Veal, Reply 6, pages 24-25: It is stated that individual holders of tariff-rate quota shares are informed of their allocations which are based upon import performance in "*recent periods*". Explain the time-periods applicable.

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).