

WORLD TRADE ORGANIZATION

RESTRICTED

G/LIC/Q/IND/1

20 January 1997

(97-0191)

Committee on Import Licensing

Original: English

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

Replies of INDIA to Questions from AUSTRALIA²

The following communication, dated 5 August 1996, has been received from the Permanent Mission of India.

Question

It is clear that the effect of the import licensing arrangements is to impose quantitative restrictions on a proportion of the restricted items on the Negative List. In this regard, Article 2.2 of the Agreement on Import Licensing Procedures requires that non-automatic licensing shall not have trade-restrictive or distortive effects on imports additional to those caused by the imposition of the restriction. We request that India provide its Negative List of imports in the context of the import licensing notification. The very complexity of India's import licensing regime with the relatively large number of special arrangements for individual industries raises the question of whether the arrangements comply not only with the specific provisions of the Agreement on Import Licensing Procedures but also with the preambular objectives of the Agreement.

Reply

Refer to India's notification on quantitative restrictions maintained on imports under the Export and Import Policy, 1 April 1992 to 31 March 1997 (incorporating amendments made up to 25 March 1996), pursuant to the Decision on Notification Procedures for Quantitative Restrictions adopted by the Council for Trade in Goods of the WTO on 1 December 1995, and the Report on the Consultations with India on 6 and 8 December 1995 of the Committee on Balance of Payments Restrictions of the WTO adopted on 23 January 1996, contained in document WTO/BOP/N/11.

Question

We would be interested in India's comments on the arrangements to phase out its complex import licensing regime.

./.

¹G/LIC/N/3/IND/1.

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

Reply

A fundamental objective of the Export and Import Policy, 1 April 1992 to 31 March 1997, is to impart greater transparency and simplicity to the policies and procedures governing imports and exports, and eliminate or minimise quantitative restrictions, licensing and other discretionary controls. Under this policy progressive annual reviews have been successfully carried out to attain this objective.

Question

We also note that the notification advises that Fiji does not receive MFN treatment (paragraph 3, page 2), and we would be interested in India's intentions in this regard now that Fiji is a Member of the WTO.

Reply

At the behest of the Government of Fiji, diplomatic relations between India and Fiji were severed in May 1990. Since then the Government of India has not had any official contact with the Government of Fiji.