

**IMPORT LICENSING SYSTEM OF INDIA**

**Questions to INDIA from the UNITED STATES**

The following communication, 21 July 2008, is being circulated at the request of the delegation of the United States.

The United States thanks India for its Article 7.3 Replies to the Import Licensing Questionnaire dated 3 September 2007 and circulated in document G/LIC/N/3/IND/9. We continue to review the responses and have additional follow-up questions.

**Questions for India on the Import Licensing Questionnaire**

1. While we appreciate that India has included an indicative list of products subject to import licences in paragraph 2 of its Questionnaire response, we note that the complete list of products requiring import licenses is established in the book entitled ITC (HS) Classification of Export and Import Items 2004-2009, a 2006 version of which the GOI has provided to the Secretariat.
2. Is the 2006 version provided to the Secretariat still current? If not, we would greatly appreciate if India could provide the Secretariat with copy of the current version.
3. Also, we note that at the April 2008 meeting of the Import Licensing Committee, India indicated that the ITC (HS) Classification of Export and Import Items is now available on the Directorate General of Foreign Trade website. However, while there is an indication on the homepage (<http://dgft.delhi.nic.in/>) that the ITC (HS) is available at the "Downloads" link, we continue to be unable to access the list. The specific link to the entire ITC (HS) Classification on DGFT's website has not been operational for more than a year. When do you expect that the ITC (HS) Classification document on the download's section of DGFT's website will become available again? Alternatively, if the entire ITC (HS) is located elsewhere on the DGFT's website, we would appreciate guidance on where exactly we can locate the document.
4. We reiterate our request that India update its questionnaire submission to provide product-specific replies to the questionnaire. This could help to clarify many of our existing questions.
5. In particular, we would appreciate it if India would clarify whether import licences are automatic or non-automatic. Section 6.VIII of G/LIC/N/3/IND/9 only indicates that "applications will be examined as soon as they are received".

6. For instance, in the case of non-automatic licences, could India estimate the expected duration of obtaining the import license for each product? If this cannot be estimated, could India provide a reason why this information cannot be provided?

7. Furthermore, we would appreciate a clarification of how fees are charged on import licences. According to the answer to question 12 in G/LIC/N/3/IND/9, "Fees are charged on applications for licenses according to the value of imports to be made." How does this fee determination relate to GATT Article VIII, which requires that such fees be limited to the "approximate cost of services rendered"?

#### Boric Acid Import Requirements

8. The United States notes that India maintains import licensing requirements for boric acid. However, G/LIC/N/3/IND/9 makes no mention of boric acid, or for that matter, chemicals or pesticides, as being subject to licenses. Furthermore, the United States is also unaware of a notification to the Import Licensing Committee of this licensing requirement. Does India intend to make a notification to the Committee regarding the requirements for importing boric acid?

#### Non-insecticidal Boric Acid

9. The United States would also appreciate further clarification as to India's import permit requirements for non-insecticidal boric acid. Please explain the process by which the necessary import licenses or permits can be obtained for non-insecticidal boric acid, as well as any necessary no-objection certificates.

10. Are end-use certificates or import permits required for the importation of any chemicals (other than boric acid) that might be covered by the Insecticides Act and for which there also are non-insecticidal uses?

11. Are there any permit requirements for non-insecticidal boric acid that is manufactured locally?

12. We would also appreciate additional information on who is required to submit the application for the import permit. Is the permit system applicable to traders, end users, or both? More specifically, what is the process by which traders (who are not necessarily the end users) can apply for an import permit for non-insecticidal boric acid?

13. We understand that India Customs has restored the classification of non-insecticidal boric acid to chapter 28, along with other inorganic chemicals. That is, it is no longer classified as an insecticide. We are pleased that India has begun taking steps to recognize that non-insecticidal boric acid should be treated differently than boric acid that is used as an insecticide.

14. However, it is our understanding that the Ministry of Agriculture still requires import permits and no-objection certificates for non-insecticidal boric acid. Please confirm if this is true.

At this time, the United States requests the information identified above and looks forward to receiving India's responses.

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