

**UNITED STATES' STEEL IMPORT MONITORING AND ANALYSIS SYSTEM<sup>1</sup>**

**Questions from CHINA to the UNITED STATES<sup>2</sup>**

The following communication, dated 23 June 2006, is being circulated at the request of the delegation of the People's Republic of China.

**Questions from China to the United States concerning its Steel Import Monitoring and Analysis System**

1. In its notification under Article 5 contained in document G/LIC/N/2/USA/2 (21 June 2005), the United States stated that it intended to issue a final rule before 30 September 2005. While in another notification under Article 7.3 contained in document G/LIC/N/3/USA/4 (25 April 2006), it is noted that the United States did not publish the final rule until 5 December 2005 and it was declared that there were no changes from the interim final rule. In view of the above information, we would appreciate if the United States could explain the reason for the delay.
2. In both notifications, it is stated that registered importing companies, their brokers, or their agents may apply for a steel import licence and the licensing procedure is automatic. Would the United States please confirm whether there are qualification requirements for being registered importing companies, their brokers, or their agents so as to be able to apply for a steel import license?
3. In both notifications, it is stated that steel import licences may be applied for up to 60 days prior to the expected date of importation. Would the United States please explain the reason behind the 60-day rule?
4. Again in both notifications, it is stated that the licence is valid for 75 days. Would the United States please explain the reason behind the 75-day rule? Would the United States please also elaborate on how this 75-day rule works in practice? For example, if an importer fails to make importation within 75 days on the issuance of a licence, will it get punished?
5. Would the US please explain the legal status of a licence which has been issued for more than 60 days but less than 75 days? Is it still possible for an importer to make importation under such a licence within this period?
6. In the Article 7.3 notification, it is stated that the licence may be used only once. Would the United States please explain why it deems it necessary to have this requirement?

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<sup>1</sup> G/LIC/N/2/USA/2 and G/LIC/N/3/USA/4

<sup>2</sup> See Understanding on Procedures for the Review of Notifications (G/LIC/4).

7. We are sorry for not being able to submit these questions to the United States well in advance of this meeting. However, we still look forward to receiving replies from the United States in the future and reserve our rights to follow up if necessary.

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