

**NOTIFICATION BY VENEZUELA PURSUANT TO ARTICLE 5 OF
THE AGREEMENT ON IMPORT LICENSING PROCEDURES
(NEW IMPORT LICENSING PROCEDURES OR CHANGES)**

Comments and requests from the UNITED STATES to VENEZUELA¹

The following communication, dated 15 May 2002, has been received from the Permanent Mission of the United States.

Venezuela requires import licences for a large number of products including corn, grain sorghum, various oilseeds and their products, yellow grease, poultry, dairy products and grapes, among others. While Venezuela has previously notified import licensing for some of these agricultural products, i.e., those submissions appear to be incomplete. For example, the notifications do not include current Venezuelan import licensing requirements for corn, soybean meal and yellow grease.

For those products that Venezuela did notify as being subject to import licensing, in G/LIC/N/2/VEN/3 and 4, the notification does not indicate that licensing for any of these products is non-automatic, despite the fact that licences are currently being denied for many of the products in question. Generally, issuance of import licences depends upon compliance with absorption agreements or unclear SPS requirements. Problems reported to my authorities include delays in issuance, reduction in allowable quantities, requirements to prove that domestic products have also been purchased, and the addition of new SPS requirements. Usually these extra requirements and delays are not done in writing.

We are particularly concerned about Venezuela's import licensing requirements for corn. Issuance of import licences for yellow corn have come to practically a complete standstill since a September 2001 announcement by the Venezuelan Ministry of Agriculture that no import licences would be issued until all domestically produced corn had been marketed.

We understand that Venezuela's recent refusal to issue import licences for grapes may be attributable to phytosanitary concerns. Notification of import licensing policies on this product, and the reasons they were undertaken, would help clarify the situation for importers.

We would also note that Venezuela has failed to provide initial information on its import licensing requirements to Committee Members in the form of a response to the Import Licensing Questionnaire. The information provided through that questionnaire is particularly important in the

¹ See Understanding on Procedures for the Review of Notifications (G/LIC/4).

case of Venezuela, since the import licensing practices currently in place have had a severely restrictive effect on imports of a wide variety of agricultural products.

Of particular interest would be:

- Any specific administrative requirements related to import licensing requirements for the commodities mentioned above, as well as products previously notified to the Committee, including any quantitative limitations on the amount of imports allowed with a single import licence.
 - The number of import licences granted, the number rejected, and the quantity of product imported, for the above-mentioned products, as well as products previously notified to the Committee, by supplying country, over the last 24 months.
 - The Venezuelan government agencies involved in administration of import licensing requirements for the above-mentioned products.
 - The legal authority under Venezuelan law for such actions.
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