

**NOTIFICATIONS BY VENEZUELA ON IMPORT LICENSING PROCEDURES
(G/LIC/N/2/VEN/3 AND G/LIC/N/2/VEN/4)**

Replies by Venezuela to Questions from the United States¹

Question No. 1: While Venezuela has previously notified import licensing for some agricultural products, those submissions appear to be incomplete. They do not include current import licensing requirements for corn, soybean meal and yellow grease.

The current import licensing requirements for maize (corn) were included in notification No. G/LIC/N/3/VEN/1 of 27.05.02. Later, in a note addressed to the Central Registry of Notifications dated 07.10.02, Venezuela submitted a corrigendum to the above-mentioned notification, correcting:

- The number of the Official Gazette establishing tariff quotas on maize and sorghum and
- The number of the Official Gazette in which the Customs Tariff is amended, by adding legal regime No. 2 required for the importation of both products.

Venezuela has also notified, in document No. G/LIC/N/1/VEN/1 dated 25.10.02, the legal basis of import licensing for maize and sorghum (among other products). Copies of the corresponding Official Gazettes may be consulted in the WTO's Market Access Division.

Venezuela administers the quota corresponding to soya cake (2304) which covers coarse soya-bean flour. This regime was duly notified both in the Committee on Agriculture (G/AG/N/VEN/22 of 22.02.02) and in the Committee on Import Licensing (G/LIC/N/3/VEN/1 of 27.05.02 and G/LIC/N/2/VEN/3 of 12.03.02). However, it is important to note that no quota is administered for heading 1208.10.00 corresponding to more or less fine soya-bean flour.

Venezuela maintains import licensing requirements for yellow grease (tariff heading 1518.00.90 in the tariff classification of the Andean Community (CAN) Secretariat), as indicated in the notifications to both the CoA (G/AG/N/VEN/22 of 22.02.02) and the Committee on Import Licensing (G/LIC/N/3/VEN/1 of 27.05.02 and G/LIC/N/2/VEN/3 of 12.03.02).

Question No. 2: Notifications G/LIC/N/2/VEN/3 and 4 do not indicate that licensing ... is non-automatic, "despite the fact that licences are currently being denied".

(a) Reply relating to notification No. G/LIC/N/2/VEN/3:

On the first page of notification G/LIC/N/2/VEN/3, reproducing the communication from the Mission to the Central Registry of Notifications, it is stated (paragraph 2) that:

¹ G/LIC/Q/VEN/3.

(...) *"I have the honour to notify herewith, under Article 5.2 of the Agreement on Import Licensing Procedures, that a non-automatic licensing regime has been instituted to administer tariff quotas for a series of agricultural items, in accordance with Venezuela's Schedule of Commitments."* (Emphasis added)

Likewise, on page 2 of the notification it is expressly stated that *"the import licensing procedure is non-automatic"* (emphasis added)

Furthermore, it is important to note that, in accordance with document G/LIC/N/3/VEN/1/Corr 2, in administering tariff quotas for a series of agricultural items, *"applications are processed in a period of approximately 60 working days beginning on the day following the closing date of the announced application period"*, in accordance with Article 3 of the Agreement on Import Licensing Procedures relating precisely to non-automatic import licensing.

(b) Reply relating to notification No. G/LIC/N/2/VEN/4:

On the first page of notification G/LIC/N/2/VEN/4, reproducing the communication from the Mission to the Central Registry of Notifications, it is stated (paragraph 2) that:

"I have the honour to notify herewith (...) the establishment of non-automatic import licences for scraps from the clothing industry." (Emphasis added)

It is also important to note that item 5 (page 2) is entitled "Indication of the measure being implemented through the non-automatic import licensing procedure." (Emphasis added)

(c) Reply concerning the issuance of licences

As will be appreciated from Annex I of this communication, licences have in fact been granted.

Question No. 3: 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.

The delays in issuing import licences for products subject to tariff quota procedures have been due to various legal and administrative difficulties. In particular, certain institutional changes have been introduced, including the separation of the Department of Agriculture and Food from the Ministry of Production and Trade to create a new Ministry of Agriculture and Land. The Regulations establishing the new Ministry entered into force in March 2002, and, subsequently it also became necessary for the Office of the Attorney General of the Republic to approve a resolution dispelling certain confusion with respect to the jurisdiction and mandate of the Ministry of Agriculture and Land and providing a clearly defined legal basis for the measures adopted by the Ministry in connection with the issuance of import licences.

With regard to the reduction in allowable quantities, this is largely due to the restructuring of the domestic market for agricultural products in compliance with Article 305 of the Constitution, mainly to achieve the objective of food security, since it is intended to recover the share of the domestic market acquired by subsidized imports for domestic production.

Question No. 4: Issuance of import licences for yellow maize (corn) has come to practically a complete standstill since a September 2001 announcement by the Ministry of

Agriculture that no import licences would be issued until all domestically produced corn had been marketed.

As may be seen from Annex II (summary table containing information on yellow maize (corn) quotas allocated since September 2001), Venezuela is filling the quota and, despite delays in issuing licences the quota amount has been exceeded every year, including this year.

Question No. 5: What are the policies on issuing import licences for grapes and what is the legal basis?

Grape imports have not been made subject to any import licensing regime.

Question No. 6 and related questions: 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. Of particular interest would be:

- *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.*
- *Venezuela provided information on its import licensing requirements in the form of replies to the questionnaire in notification G/LIC/N/3/VEN/1 of 27.05.02.*

The following are involved in issuing licences for agricultural products:

- The Directorate-General of Agricultural Marketing of the Ministry of Agriculture and Land issues licences (see notification G/LIC/N/3/VEN/1 of 27.05.02, (page 1) and
- The Inter-Ministerial Committee (Ministry of Finance, Ministry of Production and Trade and Ministry of Agriculture and Land) considers the issuing of licences based on an analysis submitted by a technical committee formed by the Directorate-General of Marketing of the MAT, the Administration of Trade Directorate of the MPC or the SME Directorate of the MPC, depending on the nature of the request (see notification G/AG/N/VEN/22 of 22.02.02).
- The legal basis for these measures is set out in both notification G/LIC/N/3/VEN/1 of 27.05.02 and notification G/LIC/N/1/VEN/1 of 25.10.02.

Question No. 7: We are interested in any quantitative limitations on the amount of imports allowed with a single import licence.

There is no quantitative limitation and the amounts allowed under each licence are a product of the relationship between the amount of the quota being allocated at that moment and the number of applicants and the amounts requested.

Question No. 8: We would like to know 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.

A table containing the information requested is attached (Annex I). It indicates the product, countries of origin the quota amount allocated and the number of import licences issued.

ANNEX I – 2001

PRODUCT	TARIFF HEADING	QUOTA AMOUNT ALLOCATED (MT)	QUOTA AMOUNT (MT)	COUNTRIES OF ORIGIN
MILK IN POWDER, OF A FAT CONTENT NOT EXCEEDING 1.5%	0402.10	7,956.24	87	USA, Spain, Ireland, New Zealand, Belgium, United Kingdom, Holland, Argentina and Uruguay.
MILK IN POWDER	0402.21	77,191.09	73,822	New Zealand, Ireland, United Kingdom, Holland, Argentina and Uruguay.
MILK AND CREAM, NOT CONCENTRATED	0401	166.36	11,005	USA, Spain and France.
SOYA-BEANS	1201	181,264.81	168,963	USA, Paraguay and Brazil.
PALM NUTS AND KERNELS	1207	038	2,771	USA
SOYA BEAN OIL	1507	122,458.56	130,040	Holland
PALM OIL	1511	0.80	134	
SUNFLOWER-SEED OIL	1512	37,822.32	151,612	Argentina and Portugal
COCONUT OIL	1513	0.64	322	USA
OTHER VEGETABLE FATS AND OILS	1515	6,508.38	1,795	USA
SOYA-BEAN CAKE	2304	246,938.77	696,880	USA and Brazil
CHEESE	0406	10,511.22	2,212	Uruguay, Holland, USA, Italy, Switzerland and France.
RAW SUGAR	1701	414,045.86	132,013	Colombia and Guatemala.
YELLOW MAIZE (CORN)	1005.90.11	800,541	583,459	USA

Source: Ministry of Agriculture and Land/Directorate General of Agricultural Marketing.

ANNEX I (2002)

PRODUCT	TARIFF HEADING	NUMBER OF LICENCES ISSUED	QUOTA AMOUNT ALLOCATED (MT)	QUOTA AMOUNT (MT)	COUNTRIES OF ORIGIN
MILK IN POWDER, OF A FAT CONTENT NOT EXCEEDING 1.5%	0402.10	73	6,335.40	87	New Zealand, USA, Australia, United Kingdom, Poland, Ireland, Uruguay and Spain
MILK IN POWDER	0402.21	244	55,414.86	73,822	New Zealand, Argentina, Germany, Belgium, Chile, Ireland, Denmark, United Kingdom, Uruguay, France and Holland
MILK AND CREAM, NOT CONCENTRATED	0401	24	500	11,005	
SOYA-BEANS	1201	12	81,980	168,963	USA and Belgium
PALM NUTS AND KERNELS	1207	30	513.65	2,771	Canada, India and Costa Rica.
SOYA-BEAN OIL	1507	64	207,573.89	130,040	Paraguay, Argentina, Brazil, Portugal and Holland
PALM OIL	1511	1	0.80	134	
SUNFLOWER-SEED OIL	1512	6	8,475.10	151,612	Argentina, USA and Portugal.
COCONUT OIL	1513	1	0.64	322	USA.
OTHER VEGETABLE FATS AND OILS	1515	24	14,400	1,795	Argentina and USA.
SOYA-BEAN CAKE	2304	43	180,953	696,880	USA, Paraguay, Brazil and Trinidad.

PRODUCT	TARIFF HEADING	NUMBER OF LICENCES ISSUED	QUOTA AMOUNT ALLOCATED (MT)	QUOTA AMOUNT (MT)	COUNTRIES OF ORIGIN
CHEESE	0406	171	5,859.28	2,212	France, Uruguay, USA, New Zealand, Italy, Holland, Switzerland, Spain, Denmark, Canada, Poland, Australia, Belgium, Ireland, Brazil and Germany
RAW SUGAR	1701	48	436,149.08	132,013	Colombia, Guatemala, Nicaragua and Germany.
YELLOW MAIZE (CORN)	1005.90.11	165	804,581	583.459	USA

Source: Ministry of Agriculture and Land/Directorate-General of Agricultural Marketing.

ANNEX II

IMPORT LICENCES FOR YELLOW MAIZE (CORN) ISSUED IN 2001

PRODUCT	TARIFF HEADING	TOTAL VOLUME (MT)
YELLOW MAIZE (CORN)	1005.90.11	800,541

Source: Ministry of Agriculture and Land/Directorate-General of Agricultural Marketing.

IMPORT LICENCES FOR YELLOW MAIZE (CORN) ISSUED IN 2002

PRODUCT	TARIFF HEADING	TOTAL VOLUME (MT)
YELLOW MAIZE (CORN)	1005.90.11	804.581

Source: Ministry of Agriculture and Land/Directorate-General of Agricultural Marketing

BREAKDOWN OF IMPORT LICENCES FOR YELLOW MAIZE (CORN)

ISSUED IN 2001

BENEFICIARY	VOLUME (MT)
AGRIBRANDS	32,052
AGROBUEYCA	10,618
LACÓNICA	48,062
ALCONGICA	
ALFONCA	7,966
ALIBAL	38,973
ALINTECA	9,911
APACA	11,198
AVIDOCA	10,810
AVINSA	9,437

BENEFICIARY	VOLUME (MT)
CONVACA	11,430
EL TANQUE	4,036
EL TUNAL	19,649
EL ZORRITO	26,092
FRAVI	4,539
INPORCA	14,007
LA CARIDAD	99,834
LA GUASIMA	46,054
ALCECA	16,886
PROBALCA	20,928
LA LUCHA	12,204
OROGRAINCA	18,580
PECA	909
PROAGRO	123,252
PROCRIA	5,390
PROGRAN	2,530
PROINVISA	36,029
RALSTON	5,000
SCHULZ	1,748
SERAVIAN	27,072
SOUTO	34,263
SUPER S	76,680
ZARATE	3,900
NUTRICAMPO	2,334
GRAVISMAR	2,100
VILVA	0
ALIPORTCA	3,002
MI PACA	3,066
GRAIN TRADE	0
AGROBECA	0
ISIS	0
RABALCA	0

BENEFICIARY	VOLUME (MT)
<i>TOTAL ISSUED</i>	800.541

Source: Ministry of Agriculture of Land/Directorate-General of Agricultural Marketing

BREAKDOWN OF IMPORT LICENCES FOR YELLOW MAIZE (CORN) ISSUED IN 2002

BENEFICIARY	VOLUME (MT)
EL TUNAL, C.A.	2,600.00
ALIMENTACION BALANCEADA, C.A.	3,680.00
FUNDO EL TANQUE, C.A.	230.00
ALIMENTOS PRIMARIOS ANIMALES	1,870.00
AVICOLA DE OCCIDENTE, C.A.	2,890.00
SERAVIAN, C.A.	5,980.00
PROAGRO, C.A.	11,920.00
AVICOLA LA GUASIMA, C.A.	2,800.00
ALIMENTOS DEL CENTRO, C.A.	2,030.00
PRODUCTOS BALANCEADOS, C.A.	2,800.00
INVERSIONES PORCINAS, C.A.	1,510.00
ALIMENTOS LA CARIDAD, C.A.	13,060.00
ALIMENTOS SUPER "S"	9,750.00
ALIMENTOS INTEGRADOS, C.A.	1,340.00
ALIMENTOS INTEGRADOS, C.A.	3,000.00
ALIMENTOS BALANCEADOS DEL LAGO	17,000.00
AVICOLA DE OCCIDENTE, C.A.	5,000.00
AVICULTURA INTEGRADA, C.A.	2,288.00
INVERSIONES PORCINAS, C.A.	1,510.00
PROAGRO, C.A.	11,920.00
ALIMENTOS PRIMARIOS ANIMALES	1,870.00
EL TUNAL, C.A.	2,600.00
SERAVIAN, C.A.	5,980.00
GRANJAS EL ZORRITO I, C.A.	2,180.00

BENEFICIARY	VOLUME (MT)
AVICOLA DE OCCIDENTE, C.A.	2,890.00
AGROCONSORCIO OROGRAIN, C.A.	2,340.00
ALIMENTOS FONTANA, C.A.	1,040.00
FUNDO EL TANQUE, C.A.	230.00
AGRIBRANDS PURINA VENEZUELA	3,890.00
ALIMENTOS CONCENTRADOS GIORDANO	220.00
LA LUCHA, C.A.	2,550.00
SERAVIAN, C.A.	6,538.00
AGRIBRANDS PURINA VENEZUELA	3,890.00
LA LUCHA, C.A.	2,550.00
ALIMENTOS PROCRIA, C.A.	730.00
GRANJA ALCONCA, C.A.	6,160.00
AGROCONSORCIO OROGRAIN, C.A.	2,340.00
CONCENTRADOS SOUTO MARA, C.A.	5,040.00
ALIMENTOS DEL CENTRO, C.A.	5,000.00
GRANJA EL ZORRITO I, C.A.	2,180.00
ALIMENTOS CONCENTRADOS SOUTO, C.A.	5,040.00
INVERSIONES PORCINAS, C.A.	378.00
ALIMENTACION BALANCEADA, C.A.	1,680.00
GRANJA ALCONCA, C.A.	7,000.00
GRANJA ALCONCA, C.A.	7,153.00
ALMACENADORA GRANELERA	20,000.00
ALIMENTOS LA CARIDAD, C.A.	13,060.00
ALIMENTOS SUPER "S"	9,750.00
ALIMENTOS INTEGRADOS, C.A.	1,340.00
ALIMENTOS PROCRIA, C.A.	730.00
ALIMENTACION BALANCEADA, C.A.	3,680.00
INDUSTRIAS FRAVI, C.A.	550.00
INDUSTRIAS FRAVI, C.A.	550.00
GRANJA VISTA AL MAR, C.A.	280.00

BENEFICIARY	VOLUME (MT)
GRANJAS VISTA AL MAR, C.A.	280.00
AVICULTURA INTEGRADA, C.A.	2,050.00
AVICOLA LA GUASIMA, C.A.	2,030.00
ALIMENTO DEL CENTRO, C.A.	2,800.00
PRODUCTOS BALANCEADOS, C.A.	2,800.00
CONCENTRADOS VALERA, C.A.	1,190.00
CONCENTRADOS VALERA, C.A.	1,190.00
ALIMENTOS SCHULZ, C.A.	250.00
PECA GONCALVES & CIA	220.00
ALIMENTOS LA CARIDAD, C.A.	26,120.00
CONCENTRADOS SOUTO MARA, C.A.	4,080.00
ALIMENTACION BALANCEADA, C.A.	1,680.00
ALIMENTACION BALANCEADA, C.A.	2,000.00
ALIMENTOS SUPER "S"	15,000.00
ALIMENTOS CONCENTRADOS SOUTO, C.A.	6,000.00
SERAVIAN, C.A.	5,980.00
PRODUCTOS BALANCEADOS, C.A.	3,500.00
PROAGRO, C.A.	10,000.00
AGRIBRANDS PURINA VENEZUELA	3,890.00
INDUSTRIAS FRAVI, C.A.	550.00
AVICOLA LA GUASIMA, C.A.	8,000.00
ALIMENTOS INTEGRADOS, C.A.	1,340.00
FUNDO EL TANQUE, C.A.	230.00
AVICOLA DE OCCIDENTE, C.A.	2,890.00
ALIMENTOS DEL CENTRO, C.A.	3,760.00
ALIMENTOS PRIMARIOS ANIMALES	1,870.00
EL TUNAL, C.A.	2,600.00
LA LUCHA, C.A.	2,550.00
ALIMENTOS FONTANA, C.A.	1,040.00
INVERSIONES PORCINAS, C.A.	1,510.00
PROAGRO, C.A.	13,840.00

BENEFICIARY	VOLUME (MT)
GRANJAS EL ZORRITO I, C.A.	5,000.00
GRANJA ALCONCA, C.A.	6,160.00
AGROPECUARIA OJO DE BUEY GUATIRE	1,700.00
AGROPECUARIA OJO DE BUEY GUATIRE	1,700.00
GRANJA ALCONCA, C.A.	6,160.00
AGROPECUARIA OJO DE BUEY GUATIRE	1,700.00
CONCENTRADOS VALERA, C.A.	1,190.00
AGROCONSORCIO OROGRAIN, C.A.	2,340.00
GRANJA VISTA AL MAR, C.A.	280.00
ALIMENTOS SUPER "S"	4,500.00
ALMACENADORA GRANELERA	20,000.00
INDUSTRIAS DEL MAIZ, C.A.	10,000.00
PRODUCCION E INVERSION AVICOLA	8,843.00
ALIMENTOS CONCENTRADOS SOUTO, C.A.	4,000.00
ALIMENTOS BALANCEADOS DEL LAGO	17,000.00
ALMACENADORA GRANELERA	17,000.00
INDUSTRIAS DEL MAIZ, C.A.	10,000.00
AGROPECUARIA OJO DE BUEY GUATIRE	2,900.00
INVERSIONES PORCINAS, C.A.	2,300.00
ALIMENTOS SCHULZ, C.A.	500.00
INDUSTRIAS FRAVI, C.A.	500.00
ALIMENTOS INTEGRADOS, C.A.	2,000.00
AGROCONSORCIO OROGRAIN, C.A.	5,000.00
PROAGRO, C.A.	5,000.00
ALIMENTOS PRIMARIOS ANIMALES	2,500.00
CONCENTRADOS VALERA, C.A.	1,500.00

BENEFICIARY	VOLUME (MT)
EL TUNAL, C.A.	3,200.00
LA LUCHA, C.A.	2,000.00
PRODUCCION E INVERSION AVICOLA	7,500.00
GRANJA VISTA AL MAR, C.A.	350.00
AVICOLA LA GUASIMA, C.A.	6,000.00
ALIMENTOS DEL CENTRO, C.A.	4,000.00
PRODUCTOS BALANCEADOS, C.A.	4,000.00
AGRIBRANDS PURINA VENEZUELA	5,000.00
AGRIBRANDS PURINA VENEZUELA	1,500.00
ALIMENTOS FONTANA, C.A.	1,300.00
PECA GOLCALVES & CIA	400.00
FUNDO EL TANQUE, C.A.	400.00
RALSTON PURINA VENEZUELA, C.A.	1,000.00
GRANJAS EL ZORRITO I, C.A.	2,500.00
AVICULTURA INTEGRADA, C.A.	2,200.00
ALIMENTOS PROCRIA, C.A.	1,200.00
SERAVIAN, C.A.	6,000.00
SERAVIAN, C.A.	2,000.00
ALIMENTOS LA CARIDAD, C.A.	18,000.00
PROAGRO, C.A.	15,000.00
ALIMENTOS CONCENTRADOS SOUTO, C.A.	4,000.00
GRANJA ALCONCA, C.A.	9,000.00
ALIMENTACION BALANCEADA, C.A.	3,000.00
ALIMENTACION BALANCEADA, C.A.	3,000.00
ALIMENTACION BALANCEADA, C.A.	1,600.00
AVICOLA DE OCCIDENTE, C.A.	4,000.00
CONCENTRADOS SOUTO MARA, C.A.	3,000.00
ALIMENTOS CONCENTRADOS GIORDANO	600.00
ALIMENTOS SUPER "S"	14,000.00
ALIMENTOS SUPER "S"	7,000.00

BENEFICIARY	VOLUME (MT)
ALIMENTOS SUPER "S"	401.00
INVERSIONES PORCINAS, C.A.	3,394.00
CONCENTRADOS VALERA, C.A.	3,009.00
ALIMENTOS PRIMARIOS ANIMALES	2,408.00
ALIMENTOS PRIMARIOS ANIMALES	2,409.00
PRODUCTOS BALANCEADOS, C.A.	5,000.00
AVICOLA LA GUASIMA, C.A.	5,656.00
AGRO CONSORCIO OROGRAIN, C.A.	4,249.00
PROAGRO, C.A.	18,000.00
AVICOLA DE OCCIDENTE, C.A.	6,408.00
AGRIBRANDS PURINA VENEZUELA	8,327.00
FUNDO EL TANQUE, C.A.	425.00
ALIMENTOS INTEGRADOS, C.A.	2,811.00
GRANJAS VISTA AL MAR, C.A.	646.00
ALIMENTOS FONTANA, C.A.	3,979.00
ALIMENTOS PROCRIA, C.A.	1,446.00
ALIMENTOS CONCENTRADOS SOUTO, C.A.	5,000.00
CONCENTRADOS SOUTO MARA, C.A.	3,000.00
ALIMENTOS CONCENTRADOS SOUTO, C.A.	4,558.00
ALIMENTACION BALANCEADA, C.A.	2,500.00
ALIMENTACION BALANCEADA, C.A.	2,500.00
ALIMENTACION BALANCEADA, C.A.	1,744.00
SERAVIAN, C.A.	7,000.00
EL TUNAL, C.A.	3,000.00
EL TUNAL, C.A.	3,144.00
INDUSTRIAS DEL MAIZ, C.A.	15,000.00

BENEFICIARY	VOLUME (MT)
ALIMENTOS SUPER "S"	13,809.00
ALIMENTOS LA CARIDAD, C.A.	28,784.00
ALIMENTOS LA CARIDAD, C.A.	840.00
PROAGRO, C.A.	6,784.00
TOTAL ISSUED	804.581.00

Source: Ministry of Agriculture and Land/Directorate-General of Agricultural Marketing.
