



Committee on Import Licensing

MINUTES OF THE MEETING HELD ON 8 APRIL 2022

CHAIRPERSON: MR HSIN-LUNG HUNG (CHINESE TAIPEI)

The Committee on Import Licensing held its fifty-fifth meeting on 8 April 2022 under the chairpersonship of Mr Hsin-Lung Hung (Chinese Taipei). The agenda proposed for the meeting was circulated in document WTO/AIR/LIC/14/Rev.1.

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The Chairperson proposed the adoption of the agenda for this meeting, contained in document WTO/AIR/LIC/14/Rev.1. No items were raised under Other Business.

The agenda was adopted.

1 MEMBERS' COMPLIANCE WITH NOTIFICATION OBLIGATIONS: DEVELOPMENTS SINCE THE LAST MEETING

1.1. The Chairperson stated that he had been informed by the Secretariat that, to date, a total of 71 notifications had been received under various provisions of the Import Licensing Agreement since the Committee's previous meeting, 69 of which had been listed in the Airgram for consideration at that day's meeting. Two additional N/3 notifications from Honduras and Panama had been received by the Secretariat after the Airgram had closed and before the meeting.¹ These notifications would be reviewed at the Committee's next meeting.

1.2. In particular, the Chairperson noted that 42 N/2 notifications under Articles 1.4(a), 8.2(b) and 5.1-5.4 had been submitted since the Committee's previous meeting. All these N/2 notifications had been submitted using the revised notification form contained in document G/LIC/28 to notify new import licensing regulations or changes thereof. In addition, 29 N/3 notifications containing replies to the annual questionnaire had been submitted under Article 7.3 of the Agreement since the Committee's previous meeting. The Chairperson thanked all those Members that had provided notifications for their efforts and dedication.

1.3. The Chairperson recalled that submitting replies to the annual questionnaire before 30 September each year was an annual obligation for all Members. He also reminded delegations that Members had to notify their import licensing regulations and changes to those regulations within 60 days of their publication. As of that day's meeting, ten Members had submitted their replies to the questionnaire for 2022, only 39 for 2021, 33 for 2020, and 44 for 2019. He further noted that 22 Members had never submitted any reply to the questionnaire and that 13 Members had never submitted any notification under the Import Licensing Agreement since joining the WTO. He encouraged those Members to notify and to contact the Secretariat for technical assistance.

1.4. The Chairperson noted that Members in the Committee and the Secretariat had undertaken and were going to undertake several initiatives to improve the record of notification compliance. In 2022, the Secretariat would hold an Import Licensing and Notifications Workshop. To benefit from a larger representation from all WTO Members, the activity would take place in virtual format and in the three WTO official languages. Specific dates for the workshop would be communicated in due course. The purpose of the workshop will be to enhance participants' understanding of import licensing procedures and notifications and to train government officials in fulfilling the different types of notification requirements under the Agreement.

1.5. The Chairperson stated that, while the Secretariat was always available to engage in this type of activity, he was also seeking guidance from Members in the Committee on how to ensure that they all fully lived up to their notification obligations under the Agreement.

1.6. The Committee took note.

2 WRITTEN QUESTIONS AND REPLIES FROM MEMBERS ON SPECIFIC TRADE CONCERNS

2.1 Document G/LIC/Q/IDN/46

2.1. The representative of the United States said that her delegation had understood that Indonesia had issued Presidential Regulation No. 32/2022 on Commodity Balance, signed by President Widodo

¹ Documents G/LIC/N/3/HND/13 and G/LIC/N/3/PAN/13.

on 21 February 2022, and that this policy had already been implemented on 1 January 2022 for certain commodities. Her delegation wished to know when Indonesia intended to notify this regulation to relevant bodies of the WTO and strongly encouraged Indonesia to notify its draft regulations prior to their implementation to allow Members an opportunity to comment on them.

2.2. The representative of Indonesia said that his delegation stood ready to address Members' concerns following its statement at the October 2021 meeting. Regarding the Commodity Balance, he said that his government was coordinating among several government agencies to determine whether it was relevant to notify such a regulation to the Committee. He noted that the Commodity Balance aimed at facilitating a better business environment and creating certainty in doing business and the free flow of goods. The Commodity Balance was a policy evaluation tool used by the government for transparency purposes and based on accurate data that would be implemented by relevant ministerial institutions. As such, it did not represent an additional burden in the Indonesian import regime. From the perspective of government policy, the Commodity Balance would provide complete, detailed, transparent, and accurate data for the relevant Ministries and for businesses, would aim to support transparency and certainty in doing business, and would include forecasting for business development.

2.2 Document G/LIC/Q/PAN/1

2.3. The representative of the United States drew Members' attention to the written questions by the United States to Panama contained in document G/LIC/Q/PAN/1. She said that the United States was concerned by the actions of the Government of Panama that limited volumes of imported onions and which appeared to be a type of quantitative restriction with a local purchase requirement. She stated that her delegation would have appreciated substantive responses from Panama and looked forward to engaging on this issue.

2.4. The representative of Panama thanked the United States for its questions. She said that her delegation would be holding consultations with capital on this matter and that they would provide responses to the Committee in due course.

2.3 Document G/LIC/Q/PHL/7

2.5. The representative of the United States drew Members' attention to the written questions by the United States to the Philippines contained in document G/LIC/Q/PHL/7. She said that her delegation had received responses to its questions the previous evening, and that they would be reviewing those responses and would revert with any further questions to the Philippines.

2.6. The representative of the Philippines said that her delegation had taken note of the new questions from the United States, as circulated in document G/LIC/Q/PHL/7. Her capital was studying these additional questions and would provide its replies in due course. As referenced by the representative of the United States, she informed the Committee that the Philippines had, on the previous day, provided their written replies to the United States' questions contained in document G/LIC/Q/PHL/6, in addition to their preliminary responses provided in document G/LIC/Q/PHL/5, dated 13 July 2021.

2.4 Document G/LIC/Q/EGY/8

2.7. The representative of the European Union said that her delegation would raise questions regarding Egypt's import licensing requirements under agenda item 6.

2.8. The Committee took note of the questions and replies and of the statements made.

3 NOTIFICATIONS

3.1 Notifications under Article 1.4(a), Article 5.1-5.4 and Article 8.2(b) of the Agreement

3.1. The Chairperson informed Members that 42 N/2 notifications, submitted by ten Members, had been listed for the Committee's consideration at that meeting. The absence of N/1 notifications could be explained by the fact that Members that were introducing new licensing procedures or modifying existing procedures were doing so, overwhelmingly, using the revised 2019 notification template

contained in document G/LIC/28, and were thus fulfilling their notification requirements under Article 1.4(a), Article 8.2(b), and Article 5.1-5.4 with one notification form, namely the N/2 form. He noted that Members had notified new regimes and had continued to make great efforts to provide missing information on existing regimes using the notification form contained in document G/LIC/28. He thanked all those Members that had made efforts to improve the transparency of their respective import licensing regimes. Due to the large number of notifications on the agenda, and with a view to making the review process more efficient, he said that he would not read out the document symbol of each notification one by one. Instead, he proposed that the Committee review the notifications in groups, following a sequence by notifying Member. He noted that this approach did not prevent any Member from raising questions regarding any particular notification under review.

3.2. The following notifications under Article 5.1-5.4, Article 1.4(a), and Article 8.2(b) of the Agreement were reviewed by the Committee: Argentina (G/LIC/N/2/ARG/28/Add.11 and G/LIC/N/2/ARG/28/Add.12); European Union (G/LIC/N/2/EU/15 - G/LIC/N/2/EU/18; G/LIC/N/2/EU/13/Corr.1; G/LIC/N/2/EU/14/Corr.1; G/LIC/N/2/EU/15/Corr.1; G/LIC/N/2/EU/16/Corr.1); Hong Kong, China (G/LIC/N/2/HKG/18; G/LIC/N/2/HKG/18/Corr.1; G/LIC/N/2/HKG/19); India (G/LIC/N/2/IND/18-G/LIC/N/2/IND/20); Republic of Korea (G/LIC/N/2/KOR/42 - G/LIC/N/2/KOR/48; G/LIC/N/2/KOR/42/Corr.1; G/LIC/N/2/KOR/46/Add.1); Myanmar (G/LIC/N/2/MMR/4; G/LIC/N/2/MMR/5; G/LIC/N/2/MMR/6); Kingdom of Saudi Arabia (G/LIC/N/2/SAU/3); Seychelles (G/LIC/N/2/SYC/2 and G/LIC/N/2/SYC/3); Ukraine (G/LIC/N/2/UKR/14 - G/LIC/N/2/UKR/21); and United Kingdom (G/LIC/N/2/GBR/13; G/LIC/N/2/GBR/13/Corr.1; G/LIC/N/2/GBR/14).

3.3. The representative of Colombia thanked Argentina for its notifications and said that her delegation wanted to comment on them.

3.4. As in previous meetings, she drew attention to the fact that there were constant changes in the procedures, scope of application, as well as delays in the processing of import licences, despite compliance with all the requirements and documentation required by the Argentinian authorities. In particular, her delegation asked Argentina to indicate what changes had been introduced by notifications G/LIC/N/2/ARG/28/Add.11 and G/LIC/N/2/ARG/28/Add.12 with regard to products covered by non-automatic licences. Her delegation wished to know in detail which tariff subheadings and which specific products were covered, and which no longer required licences, as compared to the previous regime, in order to be certain about the scope of application. Her delegation also wished to know if Argentina planned to introduce new modifications, so that businesses in Colombia could prepare in advance for any new requirements.

3.5. She added that her delegation wished to highlight the fact that some licences that previously took no more than 72 hours to be approved currently could take several weeks, without any indication of the reasons for the delays or any request for further information to complete the procedure. Given that the notifications indicated that the purpose of the licences was administrative and, in particular, to obtain statistical information, there was no explanation as to why the issuance of licences was taking several weeks. She invited the Argentinian authorities to contact her colleagues in capital should they require additional details that could facilitate these processes. Finally, she said that her delegation appreciated the willingness of the Argentinian authorities to address their doubts and concerns in bilateral dialogues, both in Buenos Aires and in Geneva.

3.6. The representative of the United States thanked Argentina for continuing to notify the ongoing changes to its import licensing regime and said that this demonstrated the value of transparency through the Committee, including consistent notifications. However, like Colombia, her delegation would have appreciated more expedient notification of expected changes coming forward, if there were any. She said that her delegation still had concerns about the import licensing regime of Argentina, and its potential to burden trade. The United States also hoped that Argentina would reconsider its use of non-automatic licences, and otherwise find ways to reduce formalities and facilitate trade.

3.7. The representative of the United Kingdom thanked Argentina for their additional notifications on import licensing procedures, as well as previous written replies to follow-up questions relating to their import licensing system. He said that the United Kingdom was interested in the issues raised by Colombia and the United States and that UK businesses were still experiencing difficulties in getting goods into the Argentinian market. The issues related particularly to the processing times for import licences, the increasing use of non-automatic licences, and complex approval processes

and requirements in Argentina. His delegation wished to ask whether Argentina would be looking to reduce the number of products subject to non-automatic licences. Moreover, his delegation was concerned with the timings for approval of import licences as they impacted business predictability and obligations to consumers on the market.

3.8. The representative of Argentina thanked the delegations of Colombia, the United States, and the United Kingdom for their comments and their interest in the importing system of Argentina and said that their concerns would be transmitted to capital for analysis. She asked the delegations of the United States and the United Kingdom if they could submit their questions in writing to facilitate the transmission to capital. She also thanked Colombia for its comments and for stressing the importance of dialogue on a bilateral level. Her delegation was also willing to continue conversations with the three delegations that had made statements and to undertake further bilateral contacts if necessary.

3.9. The representative of India said that India had made three import licensing-related notifications through documents G/LIC/N/2/IND/18, G/LIC/N/2/IND/19, and G/LIC/N/2/IND/20, demonstrating transparency and establishing a predictable operating environment for their trading partners. He noted that free imports of tur/pigeon peas (ITC-HS 0713 6060) and urad (ITC-HS 0713 3110) had been extended up to 31 March 2023 through India's Directorate General of Foreign Trade Notification No. 63/2015-2020.

3.10. The representative of Ukraine said that his delegation maintained the transparency of its measures at the WTO and, despite all the horror of the war unleashed by the Russian Federation, it continued to fulfil its notification obligations and demonstrate its commitment to the fundamental rules of the Organization. He thanked the Secretariat for including Ukraine's notifications, provided under the relevant Articles of the WTO Agreement on Import Licensing Procedures, on the meeting's agenda. He also drew the attention of Members, for the sake of transparency, to Ukraine's notification in document G/MA/QR/N/UKR/5/Add.2, dated 25 March 2022. He said that, due to Russia's military invasion of Ukraine, the Government of Ukraine had been forced to introduce non-automatic licensing for the exportation of certain agricultural products, which was a forced step that was necessary to ensure the national food security of Ukraine in these hard and terrifying times for the Ukrainian people. Russia's ongoing military attacks on Ukrainian territory had already resulted in immense loss of human life, including the lives of children, enormous destruction of Ukraine's infrastructure and economy, and a large-scale humanitarian crisis in Ukraine and the region. Nevertheless, despite all the horror that has been happening in Ukraine, business still had the possibility to work properly. The Government of Ukraine had ensured that import licences could be obtained through electronic means, and that government officials were doing everything possible under the present conditions to ensure that businesses could continue to operate uninterrupted.

3.11. He explained that Russia's war was having a profound and growing impact upon trade in commodities around the world. Many Members were already facing problems with supplying/importing grain, fertilizers, and metals, of which Ukraine had been a major exporter. In this regard, the impact of Russia's actions was significantly affecting supply chains and transportation of exported goods from Ukraine. Ukrainian export infrastructure and factories were also being destroyed by Russian missiles from land and air. Indeed, nearly 30% of Ukraine's economy had already come to a halt. Russia's blockade of Ukrainian ports in the Black Sea and in the Sea of Azov had also disrupted Ukraine's exports. As a result, commodity exports from Ukraine had been partially suspended. And if the war continued, Ukraine would not be able to supply the world with 6 million tonnes of wheat and 15 million tonnes of corn left over from the previous harvest, and nor would it be able to fully sow and harvest in the current year. Therefore, as long as Russia's illegal invasion of Ukraine continued, its consequences would continue, and persist, not only for Ukraine, but also for the whole world.

3.12. He remarked that the Russian war against Ukraine was a threat to global food security and that the world was on the brink of a large-scale humanitarian crisis, as mentioned by the heads of numerous international organizations and agencies. Immediately stopping the war would protect the world from hunger and famine, would allow Ukrainian farmers and entrepreneurs to re-engage and deliver food to those in need, and would allow the Ukrainian supply chain of goods through Ukrainian seaports to begin again. He concluded by saying that his delegation was extremely grateful for the comprehensive and unanimous support by WTO Members that stood alongside Ukraine in countering the Russian military invasion. Such invaluable contributions would help to prevent a "Bucha Massacre" taking place across the whole Ukrainian territory.

3.13. The representative of the United Kingdom expressed his delegation's concern for Russia's war in Ukraine and support for the efforts of its international partners. He stated that Russia's assault on Ukraine was an unprovoked, premeditated attack against a sovereign democratic state. This increased Ukraine's inability to trade internationally, including by the utilization of non-automatic licensing, which had a profound impact on trade around the world. The effects of the war also had a major impact on the global food supply chain, pushing parts of the world to the brink of a humanitarian food crisis. The United Kingdom and its international partners stood united in condemning the Russian government's reprehensible actions, which were an egregious violation of international law and the United Nations Charter. As a Permanent Member of the United Nations Security Council, Russia had a particular responsibility to uphold international peace and security. Instead, it was violating the borders of another country and its actions were causing widespread suffering. He concluded by saying that Russia must urgently de-escalate and withdraw its troops; Russia must also be held accountable for its actions and stop undermining democracy, global stability, and international law.

3.14. The representative of the United States reiterated her delegation's strong support for Ukraine during this unimaginably difficult time. The US also supported and affiliated with statements by Ukraine and the United Kingdom, and others, calling upon Russia immediately to desist from its use of force against Ukraine and refrain from any further unlawful threat or use of force against any EU member State.

3.15. The representative of Canada said that her delegation joined others in strongly condemning Russia's unjustifiable and unprovoked invasion of Ukraine. The attacks were causing widespread humanitarian consequences and resulting in the senseless deaths of innocent people. She said that the international community had to be seized of this issue, which was not just an attack on Ukraine, but an attack on international law, including the UN Charter, as well as democracy, freedom, and human rights.

3.16. The representative of the European Union said that her delegation also associated with the statements delivered by previous speakers. She recalled that, at the informal General Council that had taken place the previous week, the European Union had already condemned in the strongest possible terms Russia's aggression against Ukraine. The EU had also circulated a Joint Statement explaining the trade measures that the European Union and other partners were adopting against Russia. The purpose of these measures was to restore peace and security as soon as possible, in full respect of Ukraine's territorial integrity and sovereignty. Following the horrific images in the wake of Russia's withdrawal from the North of Ukraine at the end of last week, the European Union intended to take further measures to help Ukraine and sanction Russia.

3.17. She said that these actions had come as a response to Russia's act of aggression against Ukraine. She added that Russia's war of choice against Ukraine could not be ignored, and that Russia bore full responsibility for that act and its consequences and because of Russia's invasion of Ukraine, trade in goods in and from Ukraine had been strongly disrupted. The European Union was greatly concerned about the trade impact of the illegal, unprovoked, and unjustifiable aggression against Ukraine from the Russian Federation, in particular as concerned the supply of a number of commodities, notably agricultural products and fertilizers. The food security situation was already dramatic for those directly involved in Ukraine. However, the impact of the Russian aggression was also likely to spill over and seriously challenge food availability globally, in particular in some net food-importing Members. Finally, she remarked that the European Union strongly rejected Russia's attempts to blame international sanctions for the looming global food security crisis that was directly caused by Russia's aggression against Ukraine and its people. The EU sanctions did not target the agricultural sector of the Russian Federation. The EU sanctions were targeting Russia's ability to finance its aggression against Ukraine and its people. She concluded by saying that the European Union and its member States stood in full solidarity with Ukraine and its people.

3.18. The representative of Japan said that his delegation condemned Russia's aggression against Ukraine in the strongest terms, as it clearly infringed upon Ukraine's sovereignty and territorial integrity, constituted a serious violation of international law prohibiting the use of force, and was a grave breach of the United Nations Charter. Japan also strongly urged Russia to cease the attack and withdraw its forces back to Russian territory immediately. This was the only way to stop the supply chain disturbances, including disturbances to the food supply chain, which had already begun adversely affecting many countries. Japan stood in solidarity with Ukraine and its people, together with the international community.

3.19. The representative of the Russian Federation said that discussions about facilitating the situation in Ukraine, including the humanitarian situation, belonged in the UN Security Council and other relevant UN Bodies, where unfortunately Russia's arguments had fallen on the deaf ears of those countries that were taking the floor on this issue at the WTO. He added that consideration of matters of global or regional security concerns, as well as UN Charter enforcement or compliance, did not fall under the mandate of the Import Licensing Committee and went far beyond the agenda of that day's meeting. He called on the Chairperson to moderate the discussion accordingly, including by not permitting interventions from delegations that ignored this basic consideration. He also called upon delegations to refrain from interventions outside the scope of the terms of reference of the Committee and that day's meeting agenda.

3.20. The representative of the Republic of Korea thanked Ukraine for its statement and for its commitment to transparency and the rules-based global trade order, despite the current circumstances. He also echoed previous speakers regarding the situation in Ukraine. The Korean government strongly condemned Russia's invasion of Ukraine as being a violation of the principles of the UN Charter. He emphasized that Ukraine's sovereignty, territorial integrity, and political independence must be respected. His delegation shared the deep concerns of the international community over the humanitarian situation in Ukraine.

3.21. The representative of Chinese Taipei joined previous speakers in raising his delegation's serious concerns about the war, which had led to a large number of civilians, including children, losing their lives. He stated that this was absolutely unacceptable from any perspective, a clear violation of human rights, and an obvious breach of the rules-based international order. His delegation condemned the military attack and called for the unjustified attacks to stop immediately.

3.22. The representative of Georgia joined previous speakers in extending his delegation's full solidarity to Ukraine and its people. Georgia strongly condemned Russia's unprovoked, unjustified, and premeditated military aggression against Ukraine. Russia's attacks on civilian infrastructure, including kindergartens, schools, and hospitals, represented an assault and a blatant violation of key principles of the UN Charter and the Helsinki Final Act. His delegation called upon the Russian Federation immediately and without any preconditions to cease its military aggression against Ukraine and withdraw its military forces from the territory of a sovereign and democratic state. In concluding, he reiterated his delegation's unwavering support for the independence, sovereignty, and territorial integrity of Ukraine within its internationally recognized borders.

3.23. The representative of the Republic of Moldova thanked Ukraine for its statement and its notification, despite these difficult times. She said that Moldova stood in solidarity with the people of Ukraine and joined the voices of others in condemning, in the strongest terms, the Russian war against Ukraine. Her delegation strongly believed that the WTO should not stand aside and that this war could not be taken as business as usual in the WTO. Her delegation stood for international law and the principles on which this Organization was founded, and in support of Ukraine's sovereignty and its territorial integrity. Russia's unprovoked and unjustifiable invasion of Ukraine was causing great suffering and tragic loss of life on a daily basis. All Members were affected by this war and economies were also being jeopardized by it. Her delegation called upon Russia immediately to stop its military aggression and withdraw its forces from Ukraine's territory. She concluded by saying that Moldova would continue to provide all necessary support to the Ukrainian people escaping from the war.

3.24. The Committee took note of the notifications and statements made.

3.2 Notifications under Article 7.3 of the Agreement

3.25. The Chairperson noted that 27 notifications had been listed for the Committee's consideration. While most of the notifications had been notified for 2021, there were also notifications for 2020 and 2022. Two additional N/3 notifications from Honduras and Panama had been submitted after the Airgram had been issued and would be reviewed at the Committee's subsequent meeting.²

3.26. The following notifications under Article 7.3 were reviewed by the Committee: Albania (G/LIC/N/3/ALB/11); Cambodia (G/LIC/N/3/KHM/4); Chile (G/LIC/N/3/CHL/9); Colombia

² Documents G/LIC/N/3/HND/13 and G/LIC/N/3/PAN/13.

(G/LIC/N/3/COL/15); Costa Rica (G/LIC/N/3/CRI/18); Cuba (G/LIC/N/3/CUB/11); Georgia (G/LIC/N/3/GEO/9); Hong Kong, China (G/LIC/N/3/HKG/25); India (G/LIC/N/3/IND/21); Indonesia (G/LIC/N/3/IDN/13); Japan (G/LIC/N/3/JPN/20); Kazakhstan (G/LIC/N/3/KAZ/6); Republic of Korea (G/LIC/N/3/KOR/14); Mauritius (G/LIC/N/3/MUS/11); Montenegro (G/LIC/N/3/MNE/5); New Zealand (G/LIC/N/3/NZL/8); Nicaragua (G/LIC/N/3/NIC/11, G/LIC/N/3/NIC/12 and G/LIC/N/3/NIC/13); Philippines (G/LIC/N/3/PHL/14/Rev.1); Russian Federation (G/LIC/N/3/RUS/6); Seychelles (G/LIC/N/3/SYC/4); Singapore (G/LIC/N/3/SGP/17); Switzerland (G/LIC/N/3/CHE/17); United Arab Emirates (G/LIC/N/3/ARE/2); United Kingdom (G/LIC/N/3/GBR/1); and Uruguay (G/LIC/N/3/URY/15).

3.27. The Committee took note of the notifications.

4 ANGOLA: IMPORT LICENSING REQUIREMENTS – STATEMENT BY THE EUROPEAN UNION

4.1. The representative of the European Union stated that her delegation maintained its deep concerns over Angola's Presidential Decree No. 23/19 aiming to protect domestic industries in a manner incompatible with WTO rules. The EU reminded Angola that these concerns had already been raised in previous WTO meetings since 2019, notably during the Council for Trade in Goods, the Committee on Market Access, the Committee on Agriculture, and, in October 2021, at the Import Licensing Committee itself. To date, Angola had not provided any substantive reply or explanations as to how it intended to bring this Decree into the remit of WTO legality. Irrespective of its illegality with WTO rules, the EU reiterated the need for Angola to provide the clearest possible picture of its process regarding this Decree, including any changes it wished to introduce, and in which sectors. Therefore, her delegation once again strongly urged Angola to review its relevant measures in order to ensure their compliance with WTO rules. Specifically concerning the remit of the Committee on Import Licensing, she noted that the Decree did not provide any information on how the restrictions had been implemented. Notably, it was unclear if licences were to be used to manage the restrictions. Therefore, the EU requested Angola to clarify this question. At the same time, the EU reminded Angola of its obligation under the Import Licensing Agreement to notify the measures should licences be involved in the implementation of the Presidential Decree in question. She concluded by saying that, depending on Angola's engagement on this issue, the EU would decide on which approach to take to ensure an adequate protection of its trade interests.

4.2. The representative of the United States indicated that her delegation continued to have significant concerns about Presidential Decree No. 23/19, issued in January 2019. The US had been pleased to hear the Angolan delegate's statement at the 21 October 2021 Committee on Import Licensing, indicating that Angola would continue to work with the competent authorities to address the various trade issues raised by Members. Her delegation was wondering whether Angola had an update on that review to harmonize the Decree with WTO rules. The United States understood that Angola was a developing country with a reliance on imports and was looking to promote domestic production and diversify its economy. However, reducing obstacles to international trade, promoting stability, and ensuring competition were all objectives that promoted economic development, and the US requested clarity on how Decree No. 23/19 could be reconciled with those objectives. She added that, although at the Committee's previous meeting, in October 2021, Angola had stated that no product was prohibited from being imported at that time, the US remained concerned that the Decree, as written, could limit trade in the future, especially through potential temporary quantitative restrictions. The US also wondered whether there was an update on the analysis of the Angolan internal capacity to replace the imports in question, as envisaged in Angola's statement at the Committee's previous meeting.

4.3. The representative of Angola thanked the European Union and the United States for their questions and reaffirmed the statements that his delegation had made at previous meetings of this and other committees. He added that his delegation was of the view that the information that was received by trading partners did not demonstrate the reality of the current process of imports to Angola, which had open and speedy procedures for the issuance of import and export licences on the basis of Decree No. 126/20. He noted that Angola was mainly an importer of products and that it had been working to gradually change that situation by increasing its national production.

4.4. The Committee took note of the statements made.

5 CHINA: CHANGES TO IMPORT LICENSING FOR CERTAIN RECOVERABLE MATERIALS – STATEMENT BY THE UNITED STATES

5.1. The representative of the United States indicated that her delegation had raised concerns at several previous meetings of the Committee about the changes to import licensing surrounding China's implementation of its import ban on solid waste, including recyclable and scrap materials. The US had requested China to notify any changes to its import licensing regime to the Committee. She noted that, unfortunately, China had yet to provide any information about its current licensing procedures for recycled raw materials or other imports, or updates on any planned changes that would have been sufficient to alleviate their concerns. She reiterated her delegation's concerns that certain scrap materials, such as bundled recycled newspaper, had been banned, whereas other more processed scrap materials, such as pulped paper and "smelter ready" metals, were allowed. She requested China to explain the scientific basis it used to determine which categories of scrap materials were acceptable and which were not.

5.2. She added that the United States continued to seek more information regarding this policy, as China had yet to meaningfully respond to any of their questions. Specifically, she asked:

- If China could confirm that a November 2020 notice jointly issued by the Ministry of Ecology and Environment, the Ministry of Commerce, the National Development and Reform Commission, and Chinese Customs, in effect as of 1 January 2021, stated that China no longer accepted any applications for import licences of certain recoverable materials;
- if China could explain why these import licensing requirements had not been notified to the Committee, and state when the requirements, and other relevant changes, would be notified to the Committee;
- if China could confirm that it would issue written regulations for importation, including what was "contaminated" or "clean", and what materials were allowed for importation;
- if China would be notifying to the WTO its requirements for import, including relevant contamination requirements and standards, which it had implemented for the importation of recycled raw materials;
- if China could explain how these policies were consistent with China's pro-circular economy narrative, given that China appeared to include recyclable materials within the scope of "solid waste"; and, lastly
- if China could also explain why it banned/restricted imported recoverable materials, but did not restrict domestically sourced recoverable materials.

5.3. She concluded by saying that her delegation looked forward to receiving China's responses to their questions, and going forward, she asked that China adhere to its notification obligations in a timely manner under the Agreement on Import Licensing Procedures with respect to any new import measures.

5.4. The representative of China thanked the United States for its continued interest in China's policy and said that his delegation had explained its policy many times in various WTO bodies. He reiterated that the import prohibition of solid waste taken by China was meant to effectively protect people's health and the ecosystem. From 1 January 2021, China had banned all imports of solid waste according to China's law on the prevention and control of environmental pollution of solid waste and relevant regulations. Meanwhile, China had published national quality standards for recycled materials for brass, copper, cast aluminium alloys, as well as iron and steel materials. WTO Members could export these recycling materials to China through normal trade as long as the materials met China's quality standards. He also reiterated that the relevant measures were fully in line with China's economic policy, as they not only supported environmental protection in developing the economy, but also the neutralization of domestic and international recycling materials. He noted that more and more developing and developed Members were putting in place such type of measures. Regarding the notification of the measure, he said that China's quantitative restriction notifications covered the import restriction aspect of the measures. The notifications in question contained detailed information on all China's measures, including tariff lines, their legal basis, and their implementation dates. He encouraged all interested Members to look at these notifications.

5.5. The Committee took note of the statements made.

6 EGYPT: IMPORT LICENSING REQUIREMENTS FOR CERTAIN AGRICULTURAL AND PROCESSED PRODUCTS – STATEMENT BY THE EUROPEAN UNION

6.1. The representative of the European Union stated that her delegation remained concerned about a number of measures implemented by Egypt, namely its quantitative restrictions for imports of meat and poultry, as well as its import measures for seed potatoes announced in 2021 and notified to the SPS Committee.

6.2. Addressing Egypt's import restrictions on meat and poultry, mainly ducklings and canned meat, she said that her delegation reiterated that Egypt's system of import permits under Prime Minister's Decree No. 2080/2018 and Prime Minister's Decision No. 222/2018 was inconsistent with Article XI of the GATT (*de jure* and *de facto* import prohibition through quantitative restriction), as well as with several provisions of the Agreement on Import Licensing Procedures. Furthermore, Egypt had still not notified the two decrees to the WTO. She argued that, as mentioned on previous occasions, Egypt's system of granting import permits lacked transparency. The procedures of the committees and the calendars of their meetings were not publicly shared. Rejections of import permits were communicated orally, without any possibility of appeal. There were no rules stipulating under which conditions import permits were approved under each act. In short, the European Union urged Egypt to stop applying quantitative restrictions on imports of meat and poultry originating in the European Union, in compliance with WTO law.

6.3. The European Union was also deeply concerned by Egypt's new measures on the import of seed potatoes, notified to the SPS Committee under notification G/SPS/N/EGY/119. While Egypt had provided replies to the EU's questions following the notification, her delegation wished to repeat the following points:

- The new mechanism had been designed in a way that, in practical terms, limited import volumes from the European Union and had an effect comparable to a quantitative restriction. Moreover, the introduction of a fee per tonne of imported seed potatoes to finance field inspections was equivalent to the imposition of a customs duty;
- The introduction of a pre-clearance system in the form of field visits in the European Union by Egyptian inspectors was very burdensome, costly, and made trade unviable. EU member States had efficient and effective national plant protection organizations, which could certify that exports complied with importing country requirements in accordance with international standards, notably the International Plant Protection Convention and related international standards;
- Egypt's technical requirements were not aligned with the growing cycle of seed potatoes in the European Union. Egypt demanded that import applications be submitted between 15 March and 15 April of each year, that is, during a period when EU potatoes had not yet been planted. Most of the data required for the applications was not available at that time of the year, and the compliance of seed potatoes with Egyptian standards could only be assessed after harvest.

6.4. In conclusion, the European Union urged Egypt to reconsider its new measures on the import of seed potatoes and stood ready to engage with Egypt to discuss any concerns it may have in this respect.

6.5. The representative of the United States noted that, as raised during the Committee's meeting of October 2021, the US shared similar concerns to those of the European Union regarding Egypt's import licensing requirements for certain agricultural products. Her delegation requested Egypt to address these issues in a timely manner and encouraged Egypt to notify to the Committee all applicable regulations and procedures, listing the products subject to import licensing, providing the eligibility to apply for an import licence, the administrative body for requesting an import licence, and describing the criteria and documents considered when issuing an import licence.

6.6. The Committee took note of the statements made.

7 INDIA: IMPORTATION OF PNEUMATIC TYRES – STATEMENTS BY THE EUROPEAN UNION, INDONESIA AND THAILAND

7.1. The representative of the European Union reiterated the concerns that her delegation had been raising in the Committee since 2020 regarding the licensing regime for importation of pneumatic tyres for motor cars, buses, lorries, motor scooters and motorcycles introduced by India under Notification No. 12/2015-2020 on "Amendment in Import Policy of Tyres" of 12 June 2020. She noted that this had become a long-standing issue. It was also very worrying that, despite the issue being raised on multiple occasions in this and other WTO Committees, such as the Market Access Committee and the TRIMs Committee, no progress had been made towards its possible resolution.

7.2. The European Union continued to be concerned about the effect of this measure on the import of tyres, which had become highly restricted since June 2020. Only a limited number of licences had been granted to EU tyres manufacturers and those had been limited in duration, quantities, and types of tyres. After two years, no licences had yet been granted for bus and truck tyres. She stated that this was a blatant discrimination against EU bus and truck tyres manufacturers. Once more, the EU urged India to reconsider and eliminate any implicit or explicit quantitative or other (for example, end-user principle) restrictions on the import of replacement tyres that would be contrary to WTO requirements. To this end, her delegation invited India to engage in a constructive dialogue with the EU and its member States, and also with other delegations in the Committee. She added that solving such trade irritants was key to facilitating India's trade relations with the EU, especially in view of the potential future trade negotiations between the EU and India.

7.3. The representative of Indonesia said that, technically, India's import of tyres from Indonesian manufacturers had been hampered since early 2020. He stated that this had happened because India had unilaterally stopped importing tyres from Indonesia. In 2020, India had issued a new import policy in Notification No. 12/2015-2020, dated June 2020, regarding an amendment to its import policy on tyres, which changed the import criteria for tyres from free to restricted. The implementation of the policy had hampered tyre exports to India, considering that the choice of tyre products was highly limited, and had the potential to eliminate market access for imported tyres, considering the various types and sizes of tyre products produced by India, one of the world's main producers. At the beginning of 2021, India had issued import licences of tyre products. However, although there were no official provisions covering the restrictions on the importation of tyres, importers were required to make separate statements via email regarding certain types and size categories that had *de facto* hampered the export of tyres from Indonesia. He noted that the policy had had a huge impact and had led to several import licences being revoked. In this regard, his delegation sought further explanations regarding India's import policy regulations concerning pneumatic tyres, as already stated at the Committee's previous meeting, in October 2021. In particular, Indonesia requested India to elaborate in detail on its import regime for the importation of pneumatic tyres, including the requirement to obtain import approvals. Indonesia felt that the arrangement was inconsistent with GATT provisions on national treatment, as it was discriminatory and favoured domestic tyre manufacturers. The policy also had a restrictive effect on imports, and was possibly inconsistent with Article 3.2 of the Import Licensing Agreement. Therefore, Indonesia requested India to immediately review the policy to ensure that it was in accordance with the principles of the Import Licensing Agreement.

7.4. The representative of Thailand restated his delegation's concern regarding India's import policies on pneumatic tyres, which had considerably affected Thailand's exports of the products to India. In particular, he said that India's approval process for import permits for tyres could be slow. He reiterated Thailand's request for clarifications and details from India regarding its procedures and time-frames for the issuance of import permits for tyres.

7.5. The representative of Japan expressed his delegation's ongoing concern about the continued occurrence, even in 2022, of cases in which the quantity approved by India's authority was limited to less than the quantity for which Japanese companies had applied, without any reasons being provided. He asked India to provide detailed explanations regarding, first, its reasons for limiting the approved quantity, and second, its rationale and criteria for deciding if it would grant an import licence or limit the approved quantity, and under the provisions of which laws and regulations.

7.6. The representative of the United States supported the European Union and other speakers who had taken the floor on this item concerning India's lack of notifications of its import procedures for

tyres. Her delegation urged India to submit its notifications of the procedures for Notification No. 12/2015-2020, dated 12 June 2020, to meet its transparency obligations under the Agreement. She also requested India to review and submit all pending applications in a timely manner.

7.7. The representative of Chinese Taipei shared the concerns raised by previous speakers. He noted that this situation had existed for nearly two years, since India had announced its restrictive import measures on new pneumatic tyres in June 2020. His delegation had repeatedly raised its concerns over the issue in the Committee. And while it was true that, since December 2020, in some cases applications from Chinese Taipei's companies had been accepted by India, the number of accepted cases of tyre imports for the years 2020 and 2021 had declined sharply compared to before the restrictive measures had been adopted. He further noted that it appeared that India was issuing import licences only for those kinds of pneumatic tyres that were not produced domestically, and that it had set a limit on those tyres that were imported, which effectively constituted a ban on tyre imports. His delegation had urged India to comply with the rules of the Agreement on Import Licensing Procedures, noting, in particular, that non-automatic licensing procedures should be implemented in a transparent and predictable manner and should not have trade-restrictive or trade-distortive effects on imports additional to those caused by the imposition of restrictions. He also noted that India's current restrictive measures were clearly not compatible with WTO rules on quantitative restrictions. Furthermore, in accordance with Article 3.5(a) of the Agreement, Members had to provide, upon the request of any Member having an interest in the trade in the product concerned, all relevant information regarding the administration of the restrictions and the import licences granted over a recent period. Accordingly, his delegation had repeatedly requested India, in the Committee, to provide them with information regarding India's domestic practices of granting licences under the restrictive measures. However, Chinese Taipei had not yet received any information on this from India. Once again, Chinese Taipei urged India to provide the relevant information concerning its domestic practices of granting licences. He also asked India to continually review the relevant measures and to take immediate action to ensure that its import licensing procedures complied with WTO rules, and to administer such procedures in a timely, transparent, non-discriminatory, and predictable manner.

7.8. The representative of India thanked the delegations of the European Union, Indonesia, Thailand, Japan, the United States, and Chinese Taipei for their continued interest in this issue. He recalled that the issue had also been discussed at the October 2021 meeting of the Committee on Market Access and he believed that his delegation had clarified Members' questions on that occasion. He reiterated that the non-automatic licensing requirements for tyres were administered in a manner which was consistent with the rules of the WTO Agreement on Import Licensing Procedures, including the time-frame for the granting of import licences. The licensing procedures were being administered in a fair manner as was demonstrated by the fact that a number of licences had been granted following the approval by the Exim Facilitation Committee. He recalled that the import policy measure had been taken in view of quality issues for the product. For granting licences under its non-automatic licensing procedure, India had laid down specific criteria to evaluate the applications received. The comments of the concerned administrative ministry had been taken into account in these non-automatic licensing procedures. Specifically, on Indonesia's questions, India's response at the previous Council for Trade in Goods and Committee on Market Access meetings had clarified the technical details. On behalf of his delegation, he requested that the proponents of this agenda item share specific data on applications submitted and any other substantiating information. His delegation remained committed to addressing these concerns bilaterally.

7.9. The Committee took note of the statements made.

8 INDONESIA: IMPORT RESTRICTION: COMPULSORY REGISTRATION BY IMPORTERS OF STEEL PRODUCTS – STATEMENT BY JAPAN

8.1. The representative of Japan said that his delegation remained concerned by Indonesia's import licensing measure on steel products based on Indonesia's Minister of Trade Order No. 20 of 2021, as they continuously found cases where the Indonesian authorities had issued import licences for a substantially smaller amount of steel products than that applied for by importers, regardless of the types of licences concerned. This appeared to be inconsistent with Article 3.2 of the Import Licensing Agreement and Article XI:1 of the GATT 1994. He recalled that, at the Committee's previous meeting, Indonesia had explained that the objective of the measure had been to protect consumers by ensuring the importation of safe products based on thorough application of technical standards. However, Japan could not understand why Indonesia needed to reduce the amounts in the licences

in order to ensure product safety. He asked Indonesia, on behalf of his delegation, to explain how technical standards could serve as the rationale for a reduction in the amounts in import licences, as opposed to the elimination of harmful products. At the same time, Japan expected Indonesia to provide details on where and how such a rationale was stipulated in the regulations. Finally, Japan urged Indonesia not to substantially reduce the amounts in approved import licences compared to the amounts in import licence applications. Japan also requested that Indonesia clarify the rationale behind, and criteria for, reducing the import quotas.

8.2. The representative of the European Union shared the concerns expressed by Japan and asked Indonesia for clarification of its underlying rationale for restricting the quantities for which licences were granted, as well as the criteria applied to this end. Notably, the European Union was concerned that this measure appeared to be inconsistent with Article XI of the GATT (*de jure* and *de facto* import prohibition through quantitative restrictions), as well as Article 3 of the Agreement on Import Licensing Procedures (non-automatic import licensing). In light of these inconsistencies with WTO obligations, and of the restrictive impact of the measure on trade in steel products, the European Union urged Indonesia to re-evaluate the measure at issue and bring it into conformity with WTO rules, namely by issuing licences for steel products automatically, without delays, and without limiting the quantities applied for by importers.

8.3. The representative of the United States shared Japan's concerns about Indonesia's import licensing requirements for steel products, including registration and pre-shipment inspection requirements that had the potential to restrict trade in this important area. She encouraged Indonesia, on behalf of her delegation, to ensure that it issued import licences automatically, without delays, and without limiting the quantities applied for by importers.

8.4. The representative of Indonesia thanked the delegations of Japan, the European Union, and the United States for their continued interest regarding its regulation of steel import licensing. He stated that the main aim of the regulation was to ensure that all imported products entering the Indonesian market complied with the standards, specifications, and qualifications related to the safety and health aspects of the use of the steel products. Indonesia ensured that the implementation of the regulations aligned with WTO requirements on trade barriers and that the licensing processing was done electronically, with transparent information and clear rules. The import approval process took place over a relatively short time-period and in line with the time-frames set out in the Import Licensing Agreement. He concluded by saying that his delegation took note of Members' concerns regarding the import licensing of steel products and would continue to engage with Members as well as several Indonesian government agencies in this regard.

8.5. The Committee took note of the statements made.

9 INDIA: QUANTITATIVE RESTRICTIONS ON CERTAIN PULSES – STATEMENT BY CANADA

9.1. The representative of Canada said that her delegation remained concerned with India's continued use of quantitative restrictions, digressionary quota allocation mechanisms, and import licensing procedures, as applied to a variety of pulses and other import commodities. In particular, Canada was disappointed that India continued to apply these measures, as well as minimum import prices and single port for entry requirements, to restrict the import of dried peas. Canada called for India to immediately and expeditiously review its trade restrictive measures put in place on pulses and to implement alternative WTO-consistent policy options that promoted a predictable and transparent import regime for dried peas and other pulses.

9.2. The representative of the United States shared Canada's concerns regarding India's import licensing requirements for select varieties of pulses and urged India to consider less trade restrictive requirements and to notify future relevant measures and regulations in a timely manner.

9.3. The representative of the European Union also fully supported the intervention of Canada and said that her delegation remained concerned with India's import restrictions for certain pulses. The European Union urged India to provide certainty and stability when it came to its import regime for pulses.

9.4. The representative of India thanked the delegations of Canada, the European Union, and the United States for their continued interest in this issue. He stated that, as addressed in previous

meetings of the Committee on Market Access and the Council for Trade in Goods, the measures adopted by India were temporary and undertaken for the purpose of maintaining food and nutritional security. He emphasized that this was an area of great importance to India's economy and that the policies on imports were regularly reviewed and updated. Notification No. 63/2015-2020 made by the Directorate General of Foreign Trade on 29 March 2022 extended the free import policy of urad, HS code 0713.31.10, and tur or pigeon peas, HS code 0713.60.00, until 31 March 2023. India's notification in document G/LIC/N/3/IND/21, made under Article 7.3 of the Import Licensing Agreement and circulated on 20 January 2022, clearly set out these measures, and provided their background, in full transparency. Furthermore, India's notifications in documents G/LIC/N/2/IND/18, G/LIC/N/2/IND/19, and G/LIC/N/2/IND/20, made under Article 5.1 to 5.4 of the Import Licensing Agreement, clearly demonstrated transparent communication on this issue. These notifications also showed that the process of review of import restrictions was agile, dynamic, and continuous. He concluded by stating that India continued to review the measures.

9.5. The Committee took note of the statements made.

10 INDONESIA: IMPORT LICENSING REGIME FOR CERTAIN TEXTILE PRODUCTS – STATEMENTS BY THE EUROPEAN UNION AND JAPAN

10.1. The representative of the European Union recalled that for a long time her delegation had been raising concerns in this Committee and in other WTO committees about Indonesia's Regulation No. 77/2019, which only allowed for imports of raw materials or unfinished products and materials for further processing and resulted in a *de facto* prohibition on imports into Indonesia of EU finished textile items, notably carpets. Her delegation understood that Regulation No. 77/2019 had now been repealed and welcomed this news in light of its inconsistencies with Indonesia's WTO obligations, as the EU had highlighted in previous meetings of the Committee. Her delegation had also understood that textile products would now be subject to the "Commodity Balance" mechanism established under Government Regulation No. 5/2021 and Ministry of Trade Regulation No. 19/2021 and No. 20/2021, which, however, had not yet been applied to textiles. She said that her delegation took good note of the introductory statement by Indonesia regarding the Commodity Balance mechanism but would have liked to better understand its application, notably for textiles. Therefore, the EU requested Indonesia to clarify its current import regime for finished textiles, including carpets and rugs. She concluded by saying that her delegation would also appreciate further details on the expected timeline and arrangements for the application of the Commodity Balance system to textile products.

10.2. The representative of Japan said that, in October 2019, Indonesia had substantially prohibited the importation of certain textile products for retail sales by strengthening the import registration and approval system provided in the Ministry of Trade Order No. 77 of 2019. Since then, the world's exportation of textile products to Indonesia had dropped sharply. Global exports to Indonesia in 2020 had been reduced to approximately one-tenth of what they had been in 2019. Exports of carpet products classified under HS57 had been particularly hard hit. While the new Ministry of Trade Order No. 20 of 2021 had seemingly replaced the previous Ministerial Order, it had not altered the system in terms of substance and had not changed the system's trade restrictive effects. He further noted that Indonesia had implemented safeguard measures against the importation of carpet products classified under HS57 in February 2021. In their investigation, the Indonesian authorities had determined the increase of imports without considering the sharp reduction in imports resulting from the import registration and approval system. This determination had been possible by setting the period of investigation as 2017 to 2019, that is, immediately prior to the aforementioned sharp reduction in imports. In addition, these safeguard measures applied extremely high tariffs of around 150-200% when converted to *ad valorem* duties. Therefore, Japan considered that these measures did not fulfil the requirements for safeguard measures, especially the requirement stating that safeguards should be applied only to the extent necessary. He concluded by saying that his delegation remained seriously concerned by these measures, as repeatedly expressed on various occasions, and Japan again urged Indonesia to eliminate them as soon as possible.

10.3. The representative of Indonesia thanked the European Union and Japan for their continued interest in Indonesia's import regime for certain textile products. He informed delegations that the regulation from 2019, as mentioned by the European Union and Japan, had been revoked and no longer applied. Currently the application of import approvals was done electronically and, if the documents were complete and correct, the imported profile would be processed in a relatively short time-period and in line with the time-frames set out in the Import Licensing Agreement. Indonesia

took note in the interest of the EU and Japan in other regulations and policies regarding Indonesia's import licensing for textile products, including the Commodity Balance.

10.4. The Committee took note of the statements made.

11 INDONESIA: IMPORT RESTRICTION ON AIR CONDITIONERS – STATEMENTS BY THE EUROPEAN UNION AND JAPAN

11.1. The representative of the European Union stated that her delegation had certain ongoing concerns regarding Indonesia's import restrictions on air conditioners and the import licensing regime under Regulation No. 68/2020 in general. She recalled that her delegation had already made interventions on this issue and had questioned the compatibility of the licensing regime with the WTO legal framework.

11.2. The representative of Japan said that his delegation remained concerned about Indonesia's import restriction on air conditioners based on the Ministry of Trade Order No. 20 of 2021. Japan recognized the continuous improvement in the level of the quantitative restriction. Nevertheless, the rationale behind and criteria for limiting the import quotas remained unclear, and Japan was concerned that the measure may be inconsistent with Article 3.2 of the Import Licensing Agreement, Article XI:1 of the GATT, and Article 2.1 of the TRIMs. Japan expected that the measure would be applied in a manner that did not amount to an import restriction and that was sufficiently transparent with regard to the relevant criteria and procedures. He also recalled that Japan had raised this agenda item because Indonesia had expressed a preference to discuss the issue in this Committee rather than in the TRIMs Committee. Japan recalled that it had submitted a written questionnaire at the TRIMs Committee meeting of September 2021, and that Indonesia had responded at a subsequent meeting that it was preparing a written answer. Therefore, Japan expected to receive Indonesia's responses soon in order to advance the discussions constructively.

11.3. The representative of Indonesia thanked the European Union and Japan for their continued interest in Indonesia's import regime. He informed delegations that, in respect of the import restriction on air conditioners, some of the regulations mentioned had been revoked and no longer applied. Regarding the import clarification provision, Indonesia believed that this arrangement was necessary to ensure that certain incoming goods met requirements both in term of quality and quantity. Indonesia also took note of the other concerns held by the EU and Japan regarding its import licensing regime and remained available to further engage with them on these matters.

11.4. The Committee took note of the statements made.

12 THAILAND: IMPORTATION OF FEED WHEAT – STATEMENT BY THE EUROPEAN UNION

12.1. The representative of the European Union reiterated her delegation's concern about Thailand's import procedures for feed wheat, including the local corn purchase requirement, and asked Thailand why these import procedures had not been notified in accordance with Articles 1.4 and 5 of the Import Licensing Agreement. She reminded Thailand that her delegation had not yet received written replies to its questions submitted to the Committee and circulated as documents G/LIC/Q/THA/3 and G/LIC/Q/THA/4. She reiterated her delegation's interest in understanding on what basis the measure, announced as temporary, could be maintained for so long, with its last extension adopted in November 2021 to cover the year 2022. She added that the recent decision of Thailand's Ministry of Commerce, of 15 March 2022, to suspend the local purchase requirement of corn until 31 July 2022 did not modify the EU's concerns and requests. This was only a temporary measure responding to the global animal feed shortage caused by Russia's aggression of Ukraine, whereas the underlying non-automatic import license requirement remained in place. Therefore, the EU maintained its request for this measure to be fully discontinued. The EU also repeated its request to receive a detailed description of Thailand's import licensing procedures, as well as relevant data about the actual situation of the corn market, in order to better understand Thailand's justification for the measure. Based on the information gathered by the EU, the average domestic prices in Thailand had seen an increasing trend since the introduction of the measure in late 2016.

12.2. The representative of the European Union further noted that the support programme for corn production and the deficiency payment schemes developed by the Government of Thailand had not been notified to the WTO. The EU thus requested that such notification be made in a timely manner.

She further stated that the supporting measures, which encouraged the expansion of corn production, contradicted the rationale of corn oversupply put forward by Thailand's authorities to justify the measures on the import of corn. This rationale was even less relevant in the current context of shortage of feed wheat due to the Russian aggression of Ukraine. She explained that the EU maintained strong concerns about the WTO compatibility of Thailand's import licensing regime for feed wheat and, more in general, about the apparent priority given to market considerations over WTO rules as a driver for policy decisions in this area. In light of recent developments, the EU also considered that Thailand's claim about "ongoing stakeholder consultations" on a possible review of the measures could not be maintained any longer. She concluded by saying that the EU was looking forward to receiving detailed written replies to its questions as soon as possible.

12.3. The representative of Thailand thanked the European Union for its continued interest in Thailand's import policies on feed wheat and said that Thailand had taken note of the concerns raised by the EU, especially those raised at the most recent meeting of the Committee on Market Access on 30 March 2022, which had already been conveyed to capital for consideration. As at previous meetings of the Committee on Import Licensing and the Committee on Market Access, he reiterated, on behalf of his delegation, that the feed wheat import measures were still under thorough review, where consultation with all relevant stakeholders had to be conducted considering that the animal feed industry was of great importance to Thailand's economy. The review was also considering the possible impact of the recent hike in the price of raw materials for animal feed in the global market. Unfortunately, new developments and challenges in the global animal feed market, coupled with the recent wave of the COVID-19 pandemic in Thailand (with daily cases increasing almost tenfold as compared to the fourth quarter of 2021), have caused a delay in the review process. Regarding the issue raised by the EU in respect of Thailand's domestic support for feed corn, he noted that feed corn was also a crucial raw material for animal feed, which affected many households' income, so that prudence had to be exercised when implementing any policy concerning this important crop. As a result, Thailand needed to gather information from the relevant authorities, which it was still in the process of doing, before a notification could be made to the WTO.

12.4. The Committee took note of the statements made.

13 IMPROVING TRANSPARENCY IN NOTIFICATION PROCEDURES OF THE AGREEMENT – REPORT BY THE CHAIRPERSON

13.1. The Chairperson reported on the Committee's informal meeting of 7 March 2022. He read the following summary of the agenda items discussed at that informal meeting:

E-agenda

13.2. The Chairperson recalled that, at the 8 October 2021 meeting, Members had approved the establishment of an e-agenda for the Committee. The e-agenda would facilitate the work of delegations and of the Secretariat in building the meeting agenda, including adding items, making relevant documents directly available to participants in electronic form, and the sharing of statements via the e-agenda. He mentioned that the Secretariat import licensing team had completed the preparatory work for the launch of the e-agenda. Unfortunately, human resources changes in the IT Division and resource constraints had not allowed the IT Division to deliver the e-agenda on time for pilot testing and launch at the 8 April 2022 meeting of the Committee.

13.3. The Chairperson and the Secretariat's import licensing team had been in close contact with the IT Division to monitor the situation and ensure that IT work on the e-agenda for this Committee was prioritized. This would allow the testing phase to take place in the summer of 2022 and the launch of the e-agenda on time for the Committee's formal meeting in October 2022. The Chairperson had personally written to the Director of the IT Division and informed him of the priority of fulfilling Members' decisions in a timely manner.

13.4. Several delegations wondered about the rationale behind the delay in the implementation of the e-agenda, considering that it was already in place for several other committees, namely SPS, TBT, and CMA. One delegation called for a continuation of the current process after the e-agenda had been implemented, to allow Members to become accustomed to the e-agenda. Delegations welcomed the continuing efforts to ensure the launching of the e-agenda as soon as possible.

Online N/2 notifications

13.5. At the Committee's last formal meeting, in October 2021, Members had agreed to proceed with the development of an online N/2 notification form, entirely based on the notification template contained in document G/LIC/28. The next step in this project, which took place at the Committee's informal meeting, was the review by Members of the full form and all the entries in the form one by one.

13.6. The Chairperson invited the Secretariat to introduce the online form and each entry in the form individually. The Secretariat explained that the idea was to convert the exact same form Members were using into an online form. Members would be able to use it on a voluntary basis. It would not eliminate the issuance of the N/2 and N/1 series documents, which would be produced and circulated as usual. Finally, the Secretariat explained that significantly more work was needed on the IT side to make this online tool operational. The Secretariat then introduced each individual entry in the form for review by Members.

13.7. Several delegations supported the digitalization of notifications procedures and asked the Secretariat to share the presentation so that they could transmit it to their capitals. Delegations made the following comments and suggestions: (i) provide for a test period and a transition period; (ii) allow the submission of corrigenda, revisions, and addenda via the same online procedure; (iii) provide for the possibility of communicating with the Secretariat and revising the submission before the notification is finalized; (iv) provide for the option of saving an incomplete notification on the system for future editing; (v) allow various users from the same Member to access the system; (vi) provide training on the new system also in the form of a short video and explanatory notes.

13.8. After the informal meeting, the Chairperson met with IT Director Mr Fabrice Boudou who was kind enough to share the difficulties that they were facing. Nonetheless, the Chairperson stressed the importance of the decisions made by the Committee being fulfilled in a timely manner. The Chairperson indicated that he would do his best to ensure that the Committee's work was not hindered.

N/3 questionnaire

13.9. The Chairperson recalled that at the Committee's previous informal meeting, on 20 September 2021, some Members had expressed doubts about modifying the N/3 Questionnaire, noting that they did not want to lose any of the elements required by the existing questionnaire. Other Members noted that completing the questionnaire represented a challenge, especially for Members with capacity constraints, and that the questionnaire would benefit from an updating, without losing any of its substantive elements. Members also noted that any change to the N/3 Questionnaire should be implemented on a voluntary basis.

13.10. At the same time, the rate of N/3 notifications remained relatively low and had followed a declining trend over the previous ten years. Keeping in mind all the priorities expressed by Members, the Chairperson indicated that he wished to explore with the Committee possible ways forward on how to improve the level of annual N/3 questionnaire notifications, as well as on how to address the difficulties encountered by several Members in filling out the questionnaire.

13.11. Some Members said that they did not favour streamlining or changing the questionnaire and expressed their concerns over possible data loss. They noted that problems should be identified first before any clarification of the questionnaire could be considered and emphasized that Members should ensure that they were meeting their notification obligations before thinking about changing the process. These Members also suggested that the problems encountered by some Members in completing the questionnaire should be addressed by providing technical assistance. Other Members expressed support for improvements to the questionnaire, which would reduce the workload of filling it out. They noted that the questionnaire could be updated while still preserving the substance of the notification. Other delegations suggested that the Secretariat could start by compiling a list of the problems faced by Members in filling out the questionnaire for review by the Committee and recalled that this type of work had been done in the past by the Secretariat in document RD/LIC/14. The Chairperson observed that there were no objections to the suggestion of compiling a list of the problems faced by Members.

Import Licensing Notification Workshop

13.12. The Chairperson recalled that in 2017, 2018, 2019, and in 2021 in virtual mode, the Secretariat had organized Import Licensing Notification workshops in English for Developing Country Members. The objective had been to provide technical assistance to those Members that had requested it, and to help Members fulfil their notification obligations in the area of Import Licensing. At the formal meeting held on 8 October 2021, several delegations, including developed country Members, expressed an interest in this type of activity, while certain delegations requested that such type of activity be organized also in the two other WTO official working languages, French and Spanish.

13.13. The Chairperson said that he had discussed the matter with the Secretariat, which was working to organize an Import Licensing Notification Workshop also in 2022, similar to those that had taken place in 2017, 2018, and 2019. While Secretariat resources were limited, the team working on Import Licensing would be able to conduct such an activity in the three WTO official languages and the workshop would be open to all WTO Members. Considering the possibility of ongoing travel restrictions and to maximize participation from capitals, the workshop would be in virtual mode and would be held in 2022 at a time to be determined, taking into account the scheduling of other WTO events. The Chairperson then invited the Secretariat to make a short presentation of the programme of the workshop.

13.14. Several delegations supported holding the workshop for all Members in all three WTO official working languages. Some delegations expressed particular appreciation that the workshop would, for the first time, take place also in French and Spanish. One delegation said that it would be a good idea if, as part of the workshop, officials were allowed to work on draft domestic notifications. Another delegation suggested that the digitalization of the workshop, with videos available afterwards, would also be helpful. Regarding the timing, some delegations suggested that it should take place after MC12, or, as in 2021, before the next formal meeting of the Committee.

Experience-sharing on Import Licensing Procedures

13.15. The Chairperson stated that a series of experience-sharing sessions on trade in COVID-19-related goods were being organized by the Committee on Market Access, with the most recent session having been held on 4 March 2022. He sought delegations' views about the Committee holding a similar experience-sharing session on import licensing procedures. He noted that the session could focus on COVID-19-related goods or have a broader scope. He stated that he would gather Members' opinions before passing the lead on the consultations to the incoming Chairperson.

13.16. Some Members commented that such a session could be useful, but that it would be better to hold it after MC12. They also noted that it would be important to receive more information about this type of event, and that they would be glad to cooperate with the next Chairperson on this matter after MC12.

13.17. This concluded the Chairperson's report of the agenda items discussed at the informal meeting held on 7 March 2022.

13.18. The representative of the European Union thanked the Chairperson for his comprehensive report and for all the efforts that he and the Secretariat had engaged in to make the e-agenda possible in the very near future. Her delegation had some concerns about the rationale behind the delay in the launch of the e-agenda project as it had already been implemented in other WTO Committees, such as SPS and TBT. Her delegation did not want that one committee was prioritized over others in the digitalization of the agenda and appreciated the efforts made to make sure that the e-agenda was launched for the Import Licensing Committee in the near future and possibly on time for the next formal meeting of this Committee. Her delegation also strongly supported the online platform for notifications, to the extent it was not detrimental to the substance of notifications and was implemented on a voluntary basis. Regarding the workshop, she said that her delegation would be pleased to participate in any such activity in the near future and would have liked the Secretariat to explore the possibility to hold such an activity in virtual mode in the near future.

13.19. The representative of the United States thanked the Chairperson for his comprehensive report regarding the Committee's recent informal discussions on transparency and notification procedures. She noted that there was convergence among Members on the various items and appreciated the efforts made in trying to move forward the work that the Committee had decided to pursue, including its e-agenda. She stated that, in her delegation's view, timely and complete notifications enabled the WTO negotiating arm to function properly. The information that Members had committed to provide through existing notification obligations was necessary to improve the operation of WTO Agreements, Members' monitoring work in WTO committees, and Members' ability to negotiate meaningful outcomes. Therefore, all these efforts were really important with regard to Members' work in this Committee.

13.20. She added that her delegation wished to share their efforts in the WTO with regard to the transparency proposal, Procedures to Enhance Transparency and Improve Compliance with Notification Requirements, contained in documents JOB/GC/204/Rev.8 and JOB/CTG/14/Rev.8. This proposal called for an open, Member-driven process to identify and recommend improvements to notification practices. It included constructive suggestions for process improvements and other actions that would streamline submission of notifications and improve compliance. Acknowledging that many Members faced resource and capacity constraints and other challenges that could hinder their ability to prepare and submit notifications in a timely manner, she also noted that any Member may seek specific technical assistance and capacity building support to enable it to submit its notifications and build its capabilities. In this way, the proposal was structured so as to encourage a greater sense of ownership and agency in Members, which would then be able to participate more fully in the work of the WTO. She explained that the proposal could deliver practical and tangible changes in notification procedures that would bring greater transparency to the WTO, while fostering inclusivity and responding to Members' needs. Co-sponsors of the proposal were at that time carrying out a new round of outreach to Members and considering additional revisions with the expectation of having a revised proposal ready for the next meeting of the General Council. The proposal already had broad support from nearly one-third of WTO Members, namely 21 Members plus the EU-27, and represented a reasonable step that Members could take to introduce reform to the Organization and contribute to a more stable and predictable trading environment. She concluded by saying that her delegation welcomed Members' support for this proposal.

13.21. The representative of the United Kingdom expressed his delegation's gratitude to the Chairperson and to the WTO Secretariat for exploring different options for progressing with the work of the Committee. The UK recognized the work to strengthen transparency by streamlining existing notifications, but under the condition that the integrity of vital information was maintained. Similarly, to the European Union, the UK also supported the digitalization efforts around the e-agenda proposal and congratulated the Secretariat for the creation of the import licensing website. He added that his delegation would endeavour to work with WTO Members on existing initiatives to ensure that import licensing was simple, transparent, and predictable, while not losing vital information needed to trade. The United Kingdom welcomed more constructive proposals in this area.

13.22. The Committee took note of the Chairperson's report and of the statements made.

14 CALL TO UPDATE THE CONTACT LIST OF DELEGATIONS ON THE WEBSITE – G/LIC/INF/4

14.1. The Chairperson recalled that the Secretariat had circulated document G/LIC/INF/4, containing a form that Members could use to update the contact points of their delegations on the import licensing website. The purpose of the form was to facilitate communications among officials responsible for import licensing issues, both in Geneva and in capitals. The Chairperson encouraged Members to review their contact details on the import licensing website and provide updated information to the Secretariat, if necessary.

14.2. The Committee took note.

15 DATE OF THE NEXT MEETING

15.1. The Chairperson informed the Committee that the Secretariat had tentatively reserved Friday, 7 October 2022, as the date of the Committee's next formal meeting, on the understanding that the

final date would be confirmed in an email circulated well in advance of the meeting, and that additional meetings could also be convened, as required.

16 ELECTION OF THE CHAIRPERSON

16.1. The Chairperson recalled that the Chairperson of the Council for Trade in Goods had been consulting with Members regarding the election of chairpersons for the subsidiary bodies of the Council, including the Committee on Import Licensing. However, to date, no agreement had been reached on the slate of names of proposed chairpersons for the Goods Council's subsidiary bodies. For this reason, he proposed to proceed as follows. Once the Council for Trade in Goods had agreed on the proposed chairpersons for its subsidiary bodies, the Secretariat would send an email to Members with the name of the proposed chairperson for the Committee on Import Licensing. If no objection was received within the time-frame indicated in that email, the candidate would be deemed to have been elected by the Committee by acclamation. The Vice-Chairperson of the Committee would be proposed by the new Chairperson and be elected by the Committee based on the same approach.
