



**Committee on Import Licensing**

**MINUTES OF THE MEETING HELD ON 7 OCTOBER 2022**

CHAIRPERSON: MR LOH JIA JIE (SINGAPORE)

The Committee on Import Licensing held its fifty-sixth meeting on 7 October 2022 under the chairpersonship of Mr LOH Jia Jie (Singapore). The agenda proposed for the meeting was circulated in document WTO/AIR/LIC/15.

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The Chairperson proposed the adoption of the agenda for this meeting, contained in document WTO/AIR/LIC/15.

The representative of the European Union indicated that the EU wished to raise an issue under Other Business regarding the Dominican Republic's draft legislation on a new import licensing system.

The agenda was adopted with the proposed change.

## **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 47 notifications had been received under various provisions of the Import Licensing Agreement since the Committee's previous meeting, 27 of which had been listed in the Airgram for consideration at that day's meeting. In addition, 20 notifications had been received by the Secretariat after the Airgram had closed and before the meeting. These notifications would be reviewed at the Committee's next meeting.

1.2. The Chairperson noted that 14 notifications under Articles 1.4(a), 8.2(b) and 5.1-5.4 had been submitted since the Committee's previous meeting. Twelve of these notifications had been submitted using the revised N/2 notification form contained in document G/LIC/28 to notify new import licensing regulations or changes thereof. He reminded delegations that Members were required to notify their import licensing regulations and changes to those regulations within 60 days of their publication.

1.3. Thirteen N/3 notifications 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. In addition, he recalled that submitting replies to the annual questionnaire before 30 September each year was an annual obligation for all Members. As of that day's meeting, 19 Members had submitted their replies to the questionnaire for 2022, and only 41 for the year 2021. He further noted that 21 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. For example, from 27 to 29 September 2022, the Secretariat held a workshop on import licensing and notification requirements. The purpose of this workshop was to enhance participants' understanding of import licensing procedures and notifications and to train them in how to fulfil the different types of notification requirements under the Agreement. The activity was held in two WTO official languages, English and Spanish. It had previously been held in person in the years 2017, 2018, and 2019, and in remote mode in the years 2021 and in 2022.

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 Members' full compliance with their notification obligations under the Agreement.

1.6. The Committee took note.

## **2 WRITTEN QUESTIONS AND REPLIES FROM MEMBERS ON SPECIFIC TRADE CONCERNS (G/LIC/W/51/REV.7)**

### **2.1 Documents G/LIC/Q/PHL/8 and G/LIC/Q/PHL/9**

2.1. The representative of the United States noted with appreciation that earlier that day the US had received a paper copy of the Philippines' replies to the United States' follow-up questions. He would transmit these answers to Capital for review and follow-up.

2.2. The representative of the Philippines thanked the United States for its patience and indicated that its replies had also been formally notified to the Committee for circulation later that day.

### **2.2 Document G/LIC/Q/IDN/47**

2.3. The representative of Indonesia thanked Japan for its interest in Indonesia's import regulations and stated that his delegation had provided its replies to Japan's questions in document G/LIC/Q/IDN/47. He added that his delegation had taken note of Japan's comments and questions and would convey them to Capital.

### **2.3 Document G/LIC/Q/IDN/48**

2.4. The representative of Indonesia thanked the European Union for its interest in Indonesia's import regulations. He stated that Indonesia had submitted its replies to the EU's questions in document G/LIC/Q/IDN/48.

### **2.4 Document G/LIC/Q/IDN/49**

2.5. The representative of Indonesia thanked Australia for its continued interest in Indonesia's import regulations. He stated that Indonesia had submitted its replies to Australia's questions in document G/LIC/Q/IDN/49.

2.6. The representative of the United States noted that his delegation had submitted questions to Panama in document G/LIC/Q/PAN/1, seeking Panama's responses regarding its domestic purchase requirements on certain onion imports. The US remained concerned about these measures and looked forward to receiving Panama's replies.

2.7. The Chairperson concluded the item by encouraging all Members to follow the procedures established in document G/LIC/4, and to make good use of the Committee's formal meetings in order to clarify any issue regarding other Members' import licensing notifications.

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 14 N/1 and N/2 notifications, submitted by ten Members, had been listed on the agenda for the Committee's consideration at that meeting. In addition, fifteen notifications from Cambodia had been received after the closing of the Airgram and would be reviewed at the Committee's next formal meeting.<sup>1</sup> He stated 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

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<sup>1</sup> G/LIC/N/2/KHM/1-15.

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.13 and G/LIC/N/2/ARG/28/Add.14); Dominican Republic (G/LIC/N/2/DOM/1); Ecuador (G/LIC/N/2/ECU/2); Hong Kong, China (G/LIC/N/2/HKG/20 and G/LIC/N/2/HKG/21); India (G/LIC/N/1/IND/15, G/LIC/N/2/IND/21, and G/LIC/N/2/IND/22); Japan (G/LIC/N/2/JPN/5); Myanmar (G/LIC/N/2/MMR/7); Thailand (G/LIC/N/2/THA/6); United Kingdom (G/LIC/N/2/GBR/15); and the United States (G/LIC/N/2/USA/6).

3.3. The representative of Ecuador indicated that his delegation had been consulted by Capital regarding the Dominican Republic's notification. For this reason, his delegation would approach the Dominican Republic bilaterally for further information on the coverage of its notified import licences.

3.4. The representative of the Dominican Republic responded that her delegation welcomed the consultation from Ecuador and stood ready to engage in a bilateral meeting to clarify matters.

3.5. The representative of Ecuador stated that his authorities in Capital were seeking additional information on the United Kingdom's notification, and the Regulation of 2022 with respect to the 2018 Law on Ivory in particular. Specifically, his delegation was interested in hearing more about the non-automatic licensing for musical instruments and would approach the UK bilaterally for further information.

3.6. The representative of the United Kingdom stated that the UK's notification outlined legislation regarding imports of ivory. This legislation supported the UK's objectives on animal conservation and pursued its obligations under the CITES Convention. The legislation prohibited importing to, or exporting from, the UK for the purposes of trading in the items made of, or containing, elephant ivory. The ban applied regardless of the item's age, with five narrow, carefully defined exceptions, namely portrait miniatures, musical instruments, items with low ivory content, sales to qualifying museums, and rare or important items. The ivory ban did not affect the ownership of ivory items. In addition, the UK government had launched the digital ivory service, which allowed people to register uncertified exempted ivory items they wished to trade. He concluded by noting that further information could be found in document G/LIC/N/3/GBR/2. Finally, he invited Ecuador to submit any further questions to his delegation in writing.

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

## **3.2 Notifications under Article 7.3 of the Agreement**

3.8. The Chairperson noted that 13 notifications had been listed for the Committee's consideration. The following Members had submitted seven additional N/3 notifications after the Airgram had been issued, and these would be reviewed at the Committee's subsequent meeting: Australia; Hong Kong, China; Republic of Korea; Macao, China; Nicaragua; Switzerland-Liechtenstein; and Chinese Taipei.<sup>2</sup>

3.9. The following notifications under Article 7.3 were reviewed by the Committee: Argentina (G/LIC/N/3/ARG/18); European Union (G/LIC/N/3/EU/11); Honduras (G/LIC/N/3/HND/13); Mali (G/LIC/N/3/MLI/11); Mexico (G/LIC/N/3/MEX/8); Panama (G/LIC/N/3/PAN/13); Thailand (G/LIC/N/3/THA/8); Tonga (G/LIC/N/3/TON/2); Türkiye (G/LIC/N/3/TUR/18 and G/LIC/N/3/TUR/19); Ukraine (G/LIC/N/3/UKR/15); United Kingdom (G/LIC/N/3/GBR/2); and the United States (G/LIC/N/3/USA/19).

3.10. The representative of Ukraine stated that her delegation had continued to fulfil its notification obligations and demonstrate its commitment to the rules of the WTO despite the ongoing war unleashed by Russia. In addition to the immense human toll, Ukrainian businesses had suffered

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<sup>2</sup> Australia (G/LIC/N/3/AUS/15); Hong Kong, China (G/LIC/N/3/HKG/26); Macao, China (G/LIC/N/3/MAC/25); Nicaragua (G/LIC/N/3/NIC/13) and Switzerland-Liechtenstein (G/LIC/N/3/CHE/18).

greatly from the full-scale invasion: some had had to shut down entirely, while others were struggling to find new ways to operate. The whole logistics system had been destroyed and would take much time to rebuild. At any moment, Russian airstrikes could blow up factories or businesses anywhere in the country. Furthermore, according to the World Bank, Ukraine's economy could shrink by 45% in 2022 due to the war. The situation was even worse for industrial businesses in the east of the country that had had their facilities destroyed. According to data from the National Bank of Ukraine, direct losses across enterprises, housing, and infrastructure, had reached a cost of USD 100 billion since Russia's invasion in February, which was the equivalent of 50% of Ukraine's gross domestic product in 2021.

3.11. She noted that Ukraine had optimized the import procedures for various categories of goods in order to facilitate business and ensure that business processes did not suffer additionally as a result of the hostilities, the destruction of infrastructure, and the damaged supply chains. In particular, the Government of Ukraine had ensured the possibility of obtaining, by electronic means, import licences issued within one or two days, and free of charge. Indeed, Ukraine's government officials continued to do everything they could in present conditions to ensure that businesses could continue to operate uninterrupted. However, as Russia's war continued, Ukrainian businesses were struggling to find ways to compensate for the damage done. She concluded by saying that her delegation was extremely grateful for the comprehensive and unanimous support from the WTO Membership, which had stood by Ukraine in countering the Russian military invasion.

3.12. The representative of the European Union supported the statement from Ukraine and said that her delegation was committed to strengthening the multilateral trading system that best served the interests of all countries, including those that were smaller and more vulnerable. For this reason, the European Union firmly, and without any ambiguity, condemned Russia's continued aggression against Ukraine, and in particular, the previous week, the illegal annexation of territory that did not belong to Russia in the Donetsk, Luhansk, Zaporizhzhia, and Kherson Oblast. She said that Russia was endangering global security by violating Ukraine's fundamental rights to independence, sovereignty, and territorial integrity, core principles enshrined in the UN Charter and International Law. Russia was also damaging its international reputation in a way that would take years, and probably decades, to repair. She remarked that Russia, Belarus, and all those responsible for war crimes and other serious crimes would be held to account for their actions in accordance with international law. Her delegation would strengthen restrictive measures countering Russia's illegal actions and would further increase pressure on Russia and its war of choice. In Europe, as in other continents, people were feeling the consequences of Russia's war, but her delegation reiterated that the European Union would firmly stand with Ukraine and would continue to provide economic, military, social and financial support to Ukraine for as long as it took.

3.13. The representative of Canada supported the statements by Ukraine and the European Union. He said that his delegation continued to condemn, in the strongest possible terms, Russia's unprovoked, illegal, and unjustifiable war of aggression against Ukraine. Russia's hostile act was not just an attack on Ukraine and its people, or a reckless decision taken at a fragile moment in the global economic recovery from COVID-19, but also a blatant violation of international law and the rules-based international system. He added that respect for the rule of law was the basis for an international system: without it, neither this organization, nor the global economy would be able to function. Canada was resolutely committed to supporting Ukraine and those around the world impacted by the consequences of the Russian Federation's aggression. His delegation also continued to see that Russia's war was exacerbating food and energy security concerns around the world. It was clear that the consequences of this war of choice were likely to impact the production and trade of key commodities for years to come, worsening an already dire situation. Canada once again called upon Russia immediately to cease all hostile and provocative actions against Ukraine.

3.14. The representative of the United States joined in supporting Ukraine, the European Union, Canada, and all the other delegations that were raising their flags to condemn Russia's unprovoked attack. His delegation further thanked Ukraine for its attention to its role in the WTO and for the submission of its import licensing questionnaire notification under Article 7.3 of the Agreement. He added that Ukraine was to be commended for submitting this notification in unimaginably difficult times. His delegation continued to call upon Russia immediately to cease its use of force against Ukraine and refrain from any further unlawful threat or use of force against any UN member State.

3.15. The representative of Australia condemned Russia's unilateral, illegal, and immoral aggression against the people of Ukraine. She said that this invasion was a gross violation of international law,

including the charter of the United Nations. Australia also condemned Russia's illegal annexation of the regions of Luhansk, Donetsk, Kherson, and Zaporizhzhia in Ukraine. Russia's so-called referenda in occupied areas were illegitimate and had no legal effect. Rather, these regions were sovereign Ukrainian territory and President Putin's annexation an illegal and dangerous escalation. Any claims that these territories were now part of Russia were false. Australia supported the comments made by Canada, the United States, and the European Union regarding the severe implications for global food security of Russia's invasion, and for the work of this and other committees in strengthening the multilateral rules-based system in trade and agricultural products.

3.16. The representative of the United Kingdom stated that Russia's assault on Ukraine was an unprovoked and premeditated attack against a sovereign democratic state. The United Kingdom and its international partners stood united in condemning the Russian Government and its clear breach of international law under the United Nations Charter. His delegation considered that Putin's war was responsible for price rises and shortages of food. This illegal war impeded Ukraine's ability to trade internationally, which had had a profound impact on trade around the world. The United Kingdom reiterated its condemnation of the Kremlin's irresponsible nuclear rhetoric and called for all countries to condemn Russia's war of aggression and its attempt to acquire territory by force. Russia must immediately stop its war of aggression, withdraw all of its troops and military equipment from Ukraine, and respect Ukraine's independence, sovereignty, and territorial integrity within its internationally recognized borders. Finally, he reaffirmed that the regions of Donetsk, Luhansk, Kherson, and Zaporizhzhia, as well as Crimea, were integral parts of Ukraine.

3.17. The representative of Japan echoed and added Japan's voice to the preceding interventions on the Russian invasion. She said that the recent acts by Russia, especially in the east of Ukraine, which had forcibly put these regions under Russia's temporary control, were nothing but attempts to acquire territory by force; furthermore, they went against international law, including the United Nations Charter. She added that such attempts were invalid and diametrically opposed to the principles of global law in the international community. Japan urged Russia once again, and in the strongest terms, immediately to cease its aggression and withdraw its forces from the territory of Ukraine within its internationally recognized borders. Japan also continued to firmly apply strong sanctions against Russia and support Ukraine in cooperation with the international community.

3.18. Like others, the representative of New Zealand also thanked Ukraine for its notification and ongoing commitment to maintaining its notification obligations to the WTO, despite the impact of Russia's illegal and unprovoked war in Ukraine. New Zealand joined other Members in condemning, in the strongest possible terms, Russia's unprovoked and unjustified attack on Ukraine. Russia's illegal invasion was an act of aggression under international law and had already caused thousands of deaths, a humanitarian crisis, and widespread suffering. New Zealand continued to convey its support for Ukraine's sovereignty and territorial integrity. Furthermore, her delegation stood firmly against any steps by Russia that risked a further escalation in this conflict. New Zealand steadfastly supported the collective action taken in response by the international community and continued to call upon Russia to act consistently with its international obligations, to cease its invasion of Ukraine, to withdraw its troops, and to return to diplomatic negotiations as a pathway to a resolution to the conflict.

3.19. The representative of the Republic of Korea thanked Ukraine for the notification of its questionnaire, despite the devastating situation, and for its statement. He joined others in strongly condemning Russia's invasion of Ukraine as a violation of the principles of the UN Charter. Furthermore, he asserted that Ukraine's sovereignty, territorial integrity, and independence must and should be respected. In short, the Korean Government did not recognize Russia's annexation of four regions of Ukrainian territory as legitimate.

3.20. The representative of Switzerland condemned Russia's military aggression against Ukraine in the strongest possible terms. It represented a serious violation of international law, in particular the prohibition on the use of force. It also violated the territorial integrity and sovereignty of Ukraine as enshrined in international law. Therefore, Switzerland called upon Russia to respect its international obligations, to reverse its actions, to withdraw its troops, and to contribute to a de-escalation. Switzerland also called upon all actors to respect international law, including international humanitarian law.

3.21. The representative of Moldova thanked Ukraine for its statement. She also reiterated Moldova's strong support for Ukraine and the Ukrainian people. Moldova continued, in the strongest

possible terms, to condemn Russia's war against Ukraine. Moldova called upon Russia to cease its aggression and withdraw its troops immediately.

3.22. The representative of the Russian Federation considered it unfortunate that a number of delegations had once again decided to disregard the Rules of Procedure and the Committee's mandate. He recalled that Rule 27 of the Rules of Procedure stated that delegations should avoid statements on issues that had already been raised before. However, the positions of the delegations that had just taken the floor had been stated multiple times and had not changed; indeed, repeating them over and over again in this body detracted from Members' work on mandated issues. Moreover, discussions on the situation in Ukraine evidently went beyond the Committee's mandate. Russia stood ready to discuss, and was discussing, issues relating to the special military operation in Ukraine in the specialist UN Bodies and agencies. Regarding the allegations in relation to fertilizers and the energy crisis, which had been raised by some delegations, Russia recalled that it had already stated on numerous and multiple occasions that a significant contributing factor to the higher global price level was the unilateral trade restrictive measures introduced against Russia. Finally, on the referendum issue, he said that his delegation had clearly stated its position at the previous day's meeting of the General Council.

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

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

4.1. The representative of the European Union stated that her delegation remained deeply concerned about Angola's Presidential Decree No. 2319, which was intended to protect domestic industries but did so in a manner that was incompatible with the WTO's rules. In this regard, the EU wished to remind Angola that, since 2019, it had been raising its concerns at various WTO meetings, notably before the Council for Trade in Goods, the Committee on Market Access, and the Committee on Agriculture, as well as at the Committee on Import Licensing in October 2021. To date, Angola had not provided any substantive replies or explanations as to how it intended to bring this Decree into the remit of WTO legality. Irrespective of its legality with regard to the WTO's rules, the EU reiterated the need for Angola to provide the clearest picture on the process regarding this Decree, including any changes it wished to introduce and in which areas. Once again, her delegation strongly urged Angola to review the relevant measures in order to assure their compliance with the WTO's rules. Specifically concerning the remit of this Committee, the Decree did not provide information on how these restrictions were implemented. In particular, it was unclear if licences were used to manage these restrictions. The EU requested Angola's clarification in this regard. At the same time, the EU reminded Angola of its obligations under the Agreement on Import Licensing Procedures to notify the measures should licences be involved in the implementation of this Presidential Decree. Depending on Angola's engagement on this file, 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 appreciated the attention given in this Committee to Angola's Decree No. 2319. He recalled that, at the Committee's April 2022 meeting, the representative of Angola had suggested that the information received by trading partners did not demonstrate the reality of the current process of imports to Angola. He added that, while diversification of trade was positive, it was also important to have a legal and regulatory framework in place that ensured an environment free of trade obstacles in the medium and long term.

4.3. The representative of Angola thanked the European Union and reiterated Angola's previous statements made in this and other committees. Her delegation did not consider that the information provided by their partners demonstrated the reality of Angola's current import process, which had open and fast procedures for issuing import and export licences. On Decree No. 2319, she clarified that Angola's market was open to all imported products, as could be seen from the relevant statistics regarding import volumes into Angola from other WTO Members. For example, in the period 2019 to 2021, EU exports to Angola amounted to a total of USD669,104,753.07. Portugal alone had total exports to Angola amounting to USD376,664,445.31. These numbers showed that Angola was still importing goods, and that its market remained open. Furthermore, in 2019, Angola's imports from the United States had amounted to a value of approximately USD628,684,478.05. Furthermore, she noted that, in 2023, Angola's trade policies and practices would be subject to an in-depth examination under the WTO's Trade Policy Review Mechanism. In this context, all of Angola's Decrees would be examined and reviewed. She stated that her delegation was focused on the people of Angola, as well as African consumers and beyond. In this regard, she reiterated that Angola's

market continued to be open to imports, and that Decree No. 23/19 in no way restricted imports. At the same time, she considered it important and necessary to focus on what Angola itself was capable of making and producing in order for it to become a competitive player in the global market. In short, Angola wished to be a partner, not only a consumer, and thereby not only an importer, but also an exporter of products.

4.4. The representative of the European Union thanked Angola for its remarks and requested to receive them in writing for further review.

4.5. The representative of Angola indicated that her delegation would share all of the relevant information with the European Union, including the statistics concerning imports of all goods from the EU, the Russian Federation, and the United States.

4.6. The Committee took note of the statements made.

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

5.1. The representative of the European Union stated that her delegation remained concerned about Egypt's quantitative restrictions on imports of meat and poultry, as well as its import measures for seed potatoes announced in 2021 and notified under the SPS Agreement.

5.2. Regarding the import restrictions for meat and poultry, the European Union reiterated that the system of import permits under Egypt's Prime Minister Decree No. 2080/2018 and Prime Minister Decision No. 222/2018 was inconsistent with Article XI of the GATT as well as with several provisions of the Agreement on Import Licensing Procedures. Furthermore, Egypt had not yet notified the two decrees to the WTO. As on previous occasions, she restated that: (i) the system of granting import permits lacked transparency; (ii) the procedure of the committee and the calendar of meetings were not publicly shared; (iii) rejection of import permits was communicated orally, without possibility of appeal; and (iv) there were no rules stipulating under which conditions import permits were approved under each act. Therefore, the EU urged Egypt to stop applying quantitative restrictions on its imports of meat and poultry originating in the EU, in compliance with WTO laws.

5.3. In addition, she said that the European Union was deeply concerned about Egypt's new measures for the import of seed potatoes, which had been notified to the SPS Committee under notification SPS 119. While Egypt had replied to the EU's questions following its notification, nevertheless, she wished to reiterate the following points: (i) the new mechanism was designed in a way that, in practical terms, would limit import volumes from the EU, with an effect comparable to that of 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; (ii) the introduction of a pre-clearance system in the form of field visits in the EU by Egyptian inspectors was highly burdensome and costly, making such trade unviable. EU member States had efficient and effective national plant protection organizations to certify that exports complied with importing country requirements in accordance with international standards, notably the International Plant Protection Convention and related international standards; (iii) Egypt's technical requirements were not aligned with the growing cycle of seed potatoes in the EU. Egypt demanded that import applications be submitted between 15 March and 15 April of each year, namely during a time of year when EU seed potatoes had not yet been planted. Indeed, most of the data required to fill out these applications was not available at that time of the year, and the compliance of seed potatoes with Egyptian standards could only be assessed after the harvest. Finally, she urged Egypt to reconsider its new measures for the import of seed potatoes and permanently remove the above requirements.

5.4. The representative of the United States stated that his delegation remained concerned about Egypt's import licensing requirements for agricultural and food products. He noted that notification of trade-related measures was a crucial part of the functioning of the World Trade Organization and key to ensuring that trade remained predictable. For these reasons, he encouraged Egypt to notify and engage in a dialogue on its measures in the Committee on Import Licensing.

5.5. The representative of Egypt stated that Egypt had previously replied to questions from the European Union bilaterally and in the context of the Committee. He assured delegations that discussions were still ongoing and that, among other actions, both Capitals had planned a meeting



to further discuss the matter. He reiterated that Prime Minister Decrees No. 2080/2018 and No. 222/2018 were not intended to create any quantitative restrictions on imports of poultry and meat. Rather, the aim of these Decrees was to regulate imports and ensure that they not introduce disease. He maintained that Egypt's rules in this regard could be assumed to be SPS-consistent insofar as they served these policy objectives. Regarding committee procedures and the calendar of meetings referred to by the EU, he said that committee meetings were usually held every three months and/or when needed, and in accordance with the number of import requests submitted. He added that his delegation had received no complaints from importers relating to their applications. Rather, importers were informed of the committee's meeting dates and the outcome of their requests for import permits; they were also referred back to the general administration of veterinary services for any follow-up, specifically to the Office of the Head of the General Organization of Veterinary Services (GOVS) or the Office of the Deputy-Minister of Agriculture and Land Reclamation.

5.6. Regarding the availability of an appeal mechanism, he stated that such a mechanism would only be necessary in the case of an import permit request rejected for unknown reasons. However, according to the two Decrees, requests for import permits could not be rejected except for reasons related to the epidemiological situation of the exporting country, or because certain requirements had not been fulfilled, including insufficient capacity in refrigerator facilities and quarantine areas. He concluded by assuring the Committee and Egypt's trading partners that Egypt planned to notify both Decrees within the context of its full import licensing notifications, which were currently being prepared.

5.7. The Committee took note of the statements made.

## **6 INDIA: IMPORTATION OF PNEUMATIC TYRES – STATEMENTS BY THE EUROPEAN UNION, INDONESIA, JAPAN AND THAILAND**

6.1. The representative of the European Union reiterated concerns that her delegation had been raising in the Committee since 2020 regarding the licensing regime for importation of pneumatic tyres for motorcars, 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 worrying that no progress had been made towards resolving the issue, despite it having been raised on multiple occasions in this and other WTO committees, notably the Committee on Market Access and the Committee on Trade-Related Investment Measures (TRIMs Committee). The EU continued to be concerned about the effects of these measures on tyre imports, which had become highly restricted since June 2020. Only a limited number of licences had been granted to EU tyre manufacturers and these had been limited in duration, quantity, and type of tyre. After two years, no licences had yet been granted for bus and truck tyres. She said that this was blatant discrimination against EU bus and tyre manufacturers. Therefore, the European Union urged India to reconsider and eliminate any explicit quantitative or other type of restriction on the importation of replacement tyres that was contrary to WTO requirements.

6.2. The representative of Thailand restated his delegation's concern regarding India's import policies on tyres, which still considerably affected Thailand's exports of these products to India. He noted that in 2021, Thailand's exports of these products to India had declined by 40.23% in value, and 45.23% in volume, relative to 2019, before the restrictive measure had been implemented. Moreover, for the first seven months of 2022, exports of tyres from Thailand to India had fallen by 54.91% compared to the same period in 2019. In this connection, Thailand reiterated its concern that the granting and issuance of import licences for tyres by the Indian authority remained unclear and subject to considerable delay. For these reasons, Thailand requested India to provide information on the following, in accordance with Article 3, paragraph 5(a), of the Agreement of Import Licensing: (i) the administration of restrictions, including the time-frame for processing applications; (ii) the import licences granted to Thailand over the recent period; and (iii) the distribution of licences among supplying countries.

6.3. The representative of Indonesia thanked India for its response to Indonesia's concerns over India's import restrictive policies on tyre products provided at the Import Licensing Committee's meeting of April 2022. Nevertheless, Indonesia regretted that its concerns had still not been adequately resolved. Indonesia was fully aware that India had imposed import restrictions on tyre products of certain types and size categories that could be produced by tyre manufacturers in India,

and that India had implemented its policy shortly after imposing a temporary import ban on tyre products for a period of six months, as stated in Notification No. 12/2015-2020, dated 12 June 2020, on Changes on Tyre Import Policies. He noted that the policy, if implemented, would reduce tyre exports to India, considering the limited categories of tyres that could still be exported. He also noted that, although there were no official provisions governing restrictions on tyre imports, importers were required to make a separate statement, submitted by email, relating to the import restrictions for types and categories of tyre size that could be produced domestically, and that non-compliance with this rule was a sanctionable crime based on the FTDR Act 1992.

6.4. In addition, Indonesia had observed discriminatory treatment in the application of the policy, which was applied selectively by targeting certain Member countries whose producers could potentially compete with India's domestic producers, an aspect of the policy that had had an especially negative impact on Indonesia's tyre exports to India. In addition, the Foreign Manufacturers Certification Department of the Bureau of Indian Standards (BIS) had issued a new import requirement for importers to submit detailed information about their consignment before it reached Indian ports. The requirement to inform this office of all warehouse locations was itself burdensome and an unnecessary obstacle to trade; furthermore, if complete details were not provided, action would be taken by the BIS that might include the suspension of the licence. Indonesia felt that the implementation of this policy ran contrary to the principle of non-discrimination as set out in the Import Licensing Agreement, while potentially creating unnecessary barriers to international trade. In this regard, Indonesia requested India to provide further clarification of the above-mentioned issues, and to review or revoke the policy at issue in line with the applicable provision of the Import Licensing Agreement.

6.5. The representative of Japan expressed her delegation's ongoing concern about the continued occurrence, even in 2022, of cases in which the tyre quantity approved by India's authority was less than the quantity applied for by Japanese companies, without any reasons being provided. Having received no response from India thus far, Japan again requested India for its detailed explanations of the following: (i) what were the reasons for limiting the approved quantity; and (ii) what were the rationale and criteria to decide whether India would grant an import licence or limit the approved quantity, and in which laws and regulations were such rationale and criteria provided. In this regard, she recalled that at the Committee's previous meeting India had explained that this measure had been implemented in a fair and equitable manner, in accordance with the Import Licensing Agreement. However, without receiving any detailed answers to its questions, Japan remained concerned about the measure's consistency with the Agreement.

6.6. The representative of Chinese Taipei said that her delegation shared the concerns raised by the European Union, Thailand, Indonesia, and Japan, and expressed their continued interest in this issue. She noted that the restrictive measures had been in place for two years. At the Committee's previous meeting, India had reiterated that its non-automatic licensing requirements for tyres were administered in a manner that was consistent with the rules of the WTO Agreement on Import Licensing Procedures, including the time-frame for the granting of import licences. She said that her delegation understood India's efforts to ensure that its import licensing procedures complied with WTO rules. However, according to the statistics of the Ministry of Commerce and Industry of India, the quantity of tyres that India had imported from Chinese Taipei from 2020 to the first half of 2022 had sharply decreased, by more than 50%, compared to 2019. In addition, the number of licences granted had also declined sharply since December 2020. Furthermore, it should not be overlooked that many Members still had considerable doubts about the measure's transparency, and specific trade concerns in this regard had been repeatedly raised in the relevant committees. On many occasions, her delegation had requested India to provide information regarding its domestic practices for granting licences under the restrictive measures; India had responded to these requests for relevant product information in July of the current year, for which her delegation was grateful. She said that her Capital was verifying and reviewing the information provided and would respond as soon as possible. In conclusion, she hoped that India would continue to address the concerns raised by Members and that, through an exchange of views in the Committee, the issue would be resolved in a timely, transparent, non-discriminatory, and predictable manner.

6.7. The representative of the United States expressed support for Members' concerns regarding India's lack of notifications of its import procedures for tyres. His delegation once again urged India to notify the procedures for Notification No. 12/2015-2020 of 12 June 2020. He also requested India to review and respond to all pending applications in a timely manner.

6.8. The representative of India thanked those delegations that had taken the floor for their interest in India's import licensing procedures for tyres. He referred to the responses provided by his delegation at previous meetings of the Council for Trade in Goods and the Committees on Market Access and Import Licensing. He reiterated that the non-automatic licensing requirements for tyres were administered in a manner consistent with the rules of the WTO Agreement on Import Licensing Procedures, including with respect to the time-frames for the granting of import licences. Furthermore, the licensing procedure was being administered in a fair manner, as was reflected in the fact that several licences had been granted upon the Exim Facilitation Committee's approval. His delegation requested the agenda item's proponents to share specific data on applications submitted, as well as any other substantiating information. India remained committed to addressing these concerns bilaterally. He also thanked Thailand and Japan for their questions, and Indonesia for the detailed information that it had just provided. He would transmit this information to Capital for due consideration. Finally, he recalled that his delegation had already provided data to Chinese Taipei on the number of licences granted in response to its specific questions.

6.9. The Committee took note of the statements made.

## **7 INDONESIA: COMMODITY BALANCING MECHANISM – STATEMENT BY THE EUROPEAN UNION**

7.1. The representative of the European Union noted that Indonesia had started implementing the commodity balance system introduced through Minister of Trade Regulation No. 19/2020-2021 in 2021, establishing a new and centralized system for issuing import and export licences. Her delegation welcomed Indonesia's efforts to streamline the management of import and export licences and ensure a coordinated approach across different agencies. The inclusion of a commodity balance represented a potentially significant improvement as it meant that there was one layer less of bureaucracy to navigate, thereby improving transparency. However, she noted that the mechanism also raised several concerns, including that it might result in further import or export restrictions to trade flows, which in turn would raise questions as to the initiative's compliance with Indonesia's WTO obligations. Accordingly, the European Union would have welcomed clarification of the practical functioning of the commodity balance mechanism, its scheduled implementation, and the products concerned.

7.2. The representative of the United States said that his delegation was also concerned by Indonesia's commodity balance policies. He reminded Indonesia of the United States' written questions contained in document G/LIC/Q/IDN/46 of March 2022, to which the US was still awaiting Indonesia's responses.

7.3. The representative of Indonesia stated that Indonesia's commodity balance policy aimed at creating and facilitating a better business environment, including certainty in doing business, and a free flow of goods. It was a policy evaluation tool used by the Government of Indonesia to reflect accurate data in a transparent manner; in addition, it would be implemented by all relevant ministries and institutions. However, the commodity balance policy would not represent an additional burden on Indonesia's import regime. Rather, from a government policy perspective, the commodity balance would provide transparent and accurate data for all relevant ministries. It was also intended to support businesses by creating transparency and permitting forecasts for business development.

7.4. The Committee took note of the statements made.

## **8 INDONESIA: COMPULSORY REGISTRATION BY IMPORTERS OF STEEL PRODUCTS – STATEMENT BY JAPAN**

8.1. The representative of Japan stated that her delegation remained concerned by Indonesia's import licensing measure on steel products, which was based on Indonesia's Minister of Trade Order No. 20 of 2021. Her delegation had found many cases where the Indonesian authorities had issued substantially fewer import licences for steel products than the number applied for by importers, regardless of the type of licence, which seemed to be inconsistent with Article 3.2 of the Import Licensing Agreement and Article XI:1 of the GATT. She recalled that, in 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 the thorough application of technical standards. However, Japan could not understand why Indonesia needed to reduce the number of

licences in order to ensure product safety. She asked Indonesia to explain how such technical standards could serve as the rationale for a reduction in the number of import licences issued, as opposed to the elimination of harmful products. At the same time, Japan expected Indonesia to provide details as to where and how this rationale was stipulated in the regulations. In this regard, Japan urged Indonesia not to substantially reduce approved import licences compared to import licence applications. Japan also requested that Indonesia clarify the rationale behind, and the criteria for, its reduction in import quotas. Finally, she said that her delegation had learned that Minister of Trade Order No. 25 of 2022, which amended the Order No. 20 of 2021, had been enacted in May 2022, and that a new framework, entitled "NERACA KOMODITAS" ("commodity balance"), would be launched in 2023. She requested a detailed explanation of the new framework and its consistency with the WTO Agreements.

8.2. The representative of the United States said that his delegation 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. His delegation encouraged Indonesia to ensure that it issued import licences automatically, without delays, and without limiting the quantities applied for by importers.

8.3. The representative of the European Union said that her delegation shared the concerns expressed by Japan and the United States 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 ban. Notably, the EU was concerned that this measure appeared to be inconsistent with Article XI of the GATT, as well as with Article 3 of the Agreement on Import Licensing Procedures. In light of these inconsistencies with WTO obligations, and the restrictive impact of the measure on trade in steel products, the EU urged Indonesia to re-evaluate the measure at issue and to 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.

8.4. The representative of Indonesia responded by stating that the aim of the regulation was to ensure that all steel products entering Indonesia complied with the relevant standards, specifications, and qualifications. Furthermore, the policy had been implemented in accordance with the WTO principles of transparency and non-discrimination, as set out in the Agreement on Import Licensing Procedures, and restricting imports was not its intended purpose. He added that the import clarification procedure only involved verifying that the goods to be imported into Indonesia corresponded to those indicated in the import documents from the origin countries. In conclusion, Indonesia emphasized that its import clarification procedures did not restrict trade; rather, they were intended to protect health and safety, and the environment.

8.5. The Committee took note of the statements made.

## **9 INDONESIA: IMPORT LICENSING REGIME FOR CERTAIN TEXTILES PRODUCTS – STATEMENTS BY THE EUROPEAN UNION AND JAPAN**

9.1. The representative of the European Union stated that her delegation welcomed Indonesia's repeal of its Regulation No. 77/2019, revoking the *de facto* prohibition of imports into Indonesia of EU finished textile items, such as carpets. The EU also understood that textile products would now be subject to the commodity balance mechanism established under Government Regulation No. 5/2021 on Ministry of Trade Regulation Nos. 19/2021, 20/2021, and 25/2022. Therefore, the EU wished Indonesia to clarify its import regime for finished textiles, including carpets and rugs. The EU also requested further details concerning the expected timeline and arrangements for the application of the commodity balance system to textile products.

9.2. The representative of Japan stated 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 Minister of Trade Order No. 77 of 2019. Since then, the world's exportation of textile products to Indonesia had dropped sharply; indeed, global exports to Indonesia in 2020 had dropped to approximately one-tenth of what they had been in 2019, and exports of carpet products classified under HS57 had been hit particularly hard. While the new Minister of Trade Order No. 20 of 2021 had seemingly replaced the previous Ministerial Order, it had not substantially altered the system and had not removed the system's trade restrictive effects. Moreover, Indonesia had implemented safeguard measures against the importation of carpet

products classified under HS57 in February 2022. 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 to 2017-2019, immediately prior to the aforementioned sharp reduction. In addition, these 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. Despite Indonesia stating at the April 2022 meeting of the Committee on Safeguards that its measures were WTO-consistent, appropriate, and transparent, Indonesia had not provided adequate responses to Japan's questions and concerns. In conclusion, Japan remained seriously concerned about these measures, as it had repeatedly expressed on various occasions, and once again urged Indonesia to eliminate them as soon as possible.

9.3. The representative of Indonesia responded that, under the current regulation, the application for import approval was conducted electronically, and that an import approval was processed once all the documents required had been submitted in a complete and correct manner. The approval time was relatively short and fell within the time-frame set out in the Import Licensing Agreement. Regarding the implementation of the measures on carpet products, his delegation believed it to be an issue more relevant to other WTO committees.

9.4. The Committee took note of the statements made.

## **10 INDONESIA: IMPORT RESTRICTION ON AIR CONDITIONERS – STATEMENT BY JAPAN**

10.1. The representative of Japan stated that her delegation remained concerned by Indonesia's import restriction on air conditioners based on the Minister of Trade Order No. 20 of 2021. Japan recognized the continuous improvement in the level of quantitative restrictions. She added that the rationale behind, and criteria for, limiting the import quotas was still unclear, and Japan was concerned that it might be inconsistent with Article 3.2 of the Import Licensing Agreement, Article XI:1 of the GATT, and Article 2.1 of the TRIMs Agreement. Japan urged Indonesia to operate this measure in a manner that would not amount to an import restriction, and for it to be sufficiently transparent with regard to the relevant criteria and procedures. In this regard, Japan expected that the aforementioned Order No. 20 of 2021 would be substantially revised to make it WTO-consistent and requested Indonesia to provide relevant information concerning its revised status. She further noted that Japan had raised the item because Indonesia had expressed a preference to discussing it at this Committee rather than at the TRIMs Committee. Nevertheless, Japan recalled that it had submitted written questions to Indonesia at the TRIMs Committee's meeting of September 2021, and that Indonesia had responded by indicating that it was preparing a written answer to those questions; however, Indonesia had not yet provided any such answer. In conclusion, Japan stated that it expected to receive Indonesia's responses as soon as possible in order to advance discussions constructively.

10.2. The representative of Indonesia stated that, as her delegation had indicated in previous meetings, the import regulations for this product were not intended to restrict imports, but rather to improve the licensing regime and ensure surveillance of the importation of these products. Under the current regulations, the application for import approval was made electronically and processed once all the required documents were complete and correct. The approval times were relatively short and within the time-frame set out in the Import Licensing Agreement.

10.3. The Committee took note of the statements made.

## **11 THAILAND: IMPORTATION OF WHEAT FEED – STATEMENT BY THE EUROPEAN UNION**

11.1. The representative of the European Union underscored her delegation's deep and long-standing concerns about Thailand's import procedures on feed wheat, including their local corn purchase requirements. These import procedures had been introduced in 2016, meaning that they had been in place for over five years despite their stated temporary nature and the increase in average domestic corn prices over the past year. Notably, the EU was concerned about the WTO compatibility of Thailand's import licensing regime for feed wheat, and more generally, it was concerned about the apparent priority given to market considerations over WTO rules as a driver for policy decisions in this sector. The EU also recalled that, at the Committee's previous meeting, in

April 2022, Thailand had cited developments and challenges in the global animal feed market, coupled with the COVID-19 pandemic in Thailand, as causes of the delay in the review process. In light of those claims, recent developments, ongoing stakeholder consultations, and the measure's possible review, the EU considered that the measure could no longer be maintained and reiterated its request that it be entirely discontinued. Nevertheless, given that the measure did currently remain in force, the EU reminded Thailand of its obligation to notify such import procedures in accordance with Article 1.4 and Article 5 of the Import Licensing Agreement.

11.2. Furthermore, the representative of the European Union recalled that her delegation was still waiting for Thailand to provide its written replies to the EU's questions submitted before the Committee more than five years previously and circulated to Members as document G/LIC/Q/THA/3, in April 2017, and document G/LIC/Q/THA/4, in April 2018. Finally, the EU requested Government of Thailand's timely notification of its support programme for corn production and its deficiency payment schemes. She emphasized that these supporting measures, which encouraged the expansion of corn production, contradicted the rationale of corn oversupply put forward by the Thai authorities to justify the conditions that it had placed upon the importation of corn. Such rationale was even less relevant in the context of shortages of feed wheat due to Russia's aggression of Ukraine, which had led to the temporary suspension of the measures until late July.

11.3. The representative of Thailand stated that her delegation had noted the concerns raised by the European Union, especially those raised in the meeting of the Council for Trade in Goods of 7 July 2022, which had already been conveyed to Capital for its consideration. She reiterated that the review of the feed wheat import measure was still ongoing because it had to take into account a number of dynamic factors, such as a hike in the price of raw materials for animal feed on the global market, drought and changing climate, and continuing geopolitical tensions, all of which had further delayed the review process. Regarding domestic support for feed corn, she noted that feed corn was a crucial raw material for animal feed and involved a large group of stakeholders in Thailand, such that the design and implementation of any policy concerning this important crop had to be carried out with great caution. As a result, Thailand was still engaged in the necessary process of gathering all pertinent information from stakeholders and authorities prior to WTO notification.

11.4. The Committee took note of the statements made.

## **12 IMPROVING TRANSPARENCY IN NOTIFICATION PROCEDURES OF THE AGREEMENT – REPORT BY THE CHAIRPERSON**

12.1. The Chairperson recalled that improving transparency was an important focus of the Committee's work. Under his own responsibility as Chairperson, he provided a brief report on developments since the Committee's previous formal meeting.

### **12.1 eAgenda**

12.2. The Chairperson recalled that, at the Committee's meeting of 8 October 2021, Members had approved the establishment of an eAgenda for the Import Licensing Committee. An eAgenda would facilitate the work of delegations and the Secretariat in building a meeting's agenda, including adding items, making relevant documents directly available to participants in electronic format, and sharing statements. Between 6 July and 31 August 2022, a pilot version of the eAgenda had been accessible to delegations on the WTO and Import Licensing websites. The Secretariat had created a moot formal meeting of the Committee on Import Licensing in the pilot version of the eAgenda so that delegations could test it. Information on how to register and access the eAgenda had been sent by the Secretariat in an email to all delegations of 6 July 2022. In addition, the explanatory guidelines (in English, French, and Spanish) had been sent by the Secretariat to all delegations in an email of 13 July 2022. In preparation for the Committee's current formal meeting, the period for submission of agenda items through the eAgenda had opened on 7 September 2022, one month prior to the date of the meeting. Members had been given until 22 September to incorporate their specific trade concerns. Some Members had also used the earlier method and had sent their specific trade concerns to the Secretariat by email for inclusion in the agenda. Following that day's meeting, Members would have until 17 October to upload or update their statements on the eAgenda platform.

12.3. The Chairperson stated that, with a view to clarifying any remaining questions and to demonstrate how it worked, the Secretariat would provide a short overview of the eAgenda platform for the benefit of the Committee on Import Licensing.

12.4. A representative of the Secretariat provided an overview of the eAgenda platform for the Committee on Import Licensing. The presentation covered how to access the eAgenda platform, how to incorporate specific trade concerns and other items, and how to upload statements.

12.5. The representative of the European Union thanked the Chairperson and the Secretariat for the detailed and useful presentation. She said that her delegation supported the digitalization of the WTO and improving the functioning of committees. She said that the feedback on the eAgenda that she had received from her colleagues had been very positive; they had found the system to work very well and be user-friendly, in particular as concerned the uploading of statements.

12.6. The representative of India commended the efforts of the Secretariat in developing the system. He noted that similar systems had been beneficial in other committees and hoped and expected that the same benefits could be realized also in the Import Licensing Committee.

12.7. The representative of Chinese Taipei also thanked the Secretariat and the Chairperson for their efforts to complete the launch of the eAgenda for the Import Licensing Committee. Although the eAgenda had already been introduced in several other committees, a number of Members still needed time to get used to it. She said that her delegation believed that the new system could simplify and improve Members' work in the Committee.

12.8. The representative of the United Kingdom expressed his delegation's gratitude to the WTO Secretariat for exploring different options to advance the work of the Committee. He said that the UK supported the digitalization efforts, including the development of the eAgenda. He also requested the Secretariat to circulate the guidelines, as these would be useful to discuss with Capital.

12.9. The representative of the United States agreed with other delegations about the usefulness of the eAgenda, and recalled that other committees, such as the TBT Committee, had already begun to use it and had found it very useful. He also seconded the suggestion by the United Kingdom of circulating the Secretariat's guidelines.

12.10. The Committee took note of the statements made.

## **12.2 Online N/2 Notifications**

12.11. The Chairperson recalled that, at the Committee's October 2021 meeting, Members had agreed to proceed with the development of an online N/2 notification form, entirely based on the notification template set out in document G/LIC/28. At the 7 March informal meeting, the Secretariat had introduced the online N2 form, including each individual entry in the form. At the same time, it had been pointed out that significantly more work remained to be done on the IT side to make the form operational and ensure its compatibility with, and links to, the Import Licensing Database. Moreover, to avoid a duplication of efforts and ensure the development of compatible and uniform digital tools in the WTO, work would have proceeded in parallel with similar projects in related areas, such as notifications under the Committee on Market Access. The Secretariat was continuing to work with the IT Division on the online N/2 notification tool and would be updating the Committee in due course on the progress and implementation of the project.

12.12. The representative of the United States thanked the Secretariat for its work on improving transparency in notification procedures. He recalled that his delegation had presented a proposal to enhance transparency and improve compliance with notification requirements, which had been discussed at the General Council's July 2022 meeting. The proposal had received the support of over a third of the WTO Membership. It had called for an open and Member-driven process to identify and recommend improvements in notification practices, including constructive suggestions for process improvements and other actions that would have streamlined the submission of notifications and improved Members' capabilities. The co-sponsors of the proposal continued to see the benefits of advancing practical technical work aimed at improving Member notification capabilities in the subsidiary bodies of the Council for Trade in Goods, thus enabling the WTO to function more effectively for the benefit of Members and traders. He concluded by encouraging the Committee to

consider new approaches that would place no additional burden on Members while facilitating their timely and complete submission of notifications.

### 12.3 N/3 Questionnaire

12.13. The Chairperson recalled that it had been pointed out at the Committee's previous formal meeting that the rate of N/3 notifications remained low and had followed a declining trend over recent years. At the Committee's meeting in April 2022, Members had suggested to identify and compile the problems that they had encountered when completing their annual questionnaire by updating document RD/LIC/14, of 6 February 2020, already prepared by the Secretariat for this purpose. Following this request, the Secretariat had made a short presentation based on an update of the document. However, as no delegation took the floor, the Chairperson indicated that he would reach out to Members to seek their views in bilateral consultations.

### 12.4 Import Licensing Notification Workshop

12.14. The Chairperson noted that the Secretariat had organized and conducted the fifth Workshop on Import Licensing and Notifications from 27 to 29 September 2022. The objective of the workshop had been to provide an overview of the Agreement on Import Licensing Procedures and to help Members to fulfil their notification obligations in the area of Import Licensing. As in 2021, this workshop had taken place in virtual mode, via the Zoom Platform. It had been originally planned to hold the workshop in the three WTO official languages, with a session in English, a session in French, and a session in Spanish. However, only two applications had been received for the session in French. Therefore, due to the low number of participants, the workshop did not take place in French. The Secretariat had reached out to those Members that applied to follow the session in French with an offer of bilateral technical assistance; in addition, the Secretariat was looking at how to organize other technical assistance activities for French-speaking Members at the national and regional levels. At the same time, given the high number of participants who had signed up for the session in English, it had been decided to conduct two sessions in English, on 27 and 28 September, and one session in Spanish, on 29 September. In total, the workshop was attended by 65 government officials from 37 countries.

12.15. The representative of Thailand thanked the Chairperson and the Secretariat for organizing the workshop, which had greatly benefited their capital-based officials. He asked the Chairperson and Secretariat to consider organizing such a workshop also for Geneva-based delegates, as it would be especially useful for newly arrived delegates in terms of helping them to familiarize themselves with the Import Licensing Agreement. Commenting on the issue of transparency, he expressed his delegation's support for the important work to promote transparency and compliance with notification requirements, including the development of the eAgenda. He encouraged the Chairperson and the Secretariat to continue such work in the future, considering the declining trends in the number of N/3 notifications, with an average of only 37 notifications per year, which corresponded to approximately 25% of the WTO Membership.

12.16. The representative of Indonesia echoed Thailand's suggestion for holding a workshop on import licensing procedures for Geneva-based delegates.

12.17. The representative of the United States asked if the material and presentations used in the workshops that were conducted in English and Spanish could be circulated to the Committee.

12.18. The Committee took note of the statements made.

### 12.5 E-Commerce

12.19. The Chairperson recalled that, as stated in the Ministerial Decision on the E-Commerce Moratorium and Work Programme, Members had agreed to "reinvigorate the work under the Work Programme on Electronic Commerce, based on the mandate as set out in WT/L/274 and particularly in line with its development dimension". The 1998 Work Programme on Electronic Commerce contained a list of issues for the Council for Trade in Goods and its subsidiary bodies to examine. The Committee on Import Licensing had been tasked to examine "issues arising from the application of the Agreement on Import Licensing Procedures". He recalled that after the 1998 work programme had been adopted, there had been no follow-up in the Committee on Import Licensing on the issue



of import licensing and electronic commerce. As no delegation took the floor, the Chairperson said that he would reach out to Members to seek their views in bilateral consultations.

## **12.6 Experience-Sharing on Import Licensing Procedures**

12.20. 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 having been held on 16 September 2022. The next session would take place on 21 November, with the participation of the private sector. He also recalled that when this type of experience-sharing session had been proposed in the Import Licensing Committee, at the Committee's previous meeting, some Members had noted that, while they thought such sessions could be useful, they considered that it would have been better to hold them after MC12. Accordingly, he again sought Members' views on holding similar experience-sharing sessions on import licensing procedures, with a focus on COVID-19-related goods, or perhaps a broader scope. As no delegation took the floor, the Chairperson said that he would reach out to Members to seek their views in bilateral consultations.

## **13 FOURTEENTH BIENNIAL REVIEW OF THE IMPLEMENTATION AND OPERATION OF THE AGREEMENT (G/LIC/W/57)**

13.1. The Chairperson stated that Article 7.1 of the Agreement on Import Licensing Procedures provided that "the Committee shall review as necessary, but at least once every two years, the implementation and operation of this Agreement". He recalled that the thirteenth biennial review had been held at the Committee's meeting of October 2020 and, according to the rules, the Committee was to undertake its fourteenth biennial review at that meeting. To this end, the Secretariat had drafted a factual report under its own responsibility for consideration by the Committee. The report had been circulated in document G/LIC/W/57, which covered the period from 10 October 2020 to 7 October 2022, the date of that day's meeting. Once updated, the report would be circulated as a G/LIC/- document, taking into consideration the views expressed by Members at the current meeting. New notifications submitted between 22 September, when the Airgram had closed, and 7 October, would also be reflected in the final report. In Section 5 of the report, the Secretariat had continued to provide some in-depth analysis regarding new N/2 and N/3 notifications. The Chairperson sought Members' views and comments.

13.2. The Committee adopted the report (G/LIC/W/57).

## **14 DRAFT REPORT (2022) OF THE COMMITTEE TO THE COUNCIL FOR TRADE IN GOODS (G/LIC/W/56)**

14.1. The Chairperson recalled that the Committee was required to submit an annual report on its activities to the Council for Trade in Goods under Article 7.4 of the Agreement. A draft report, covering the activities of the Committee in 2022, had been circulated in document G/LIC/W/56 for the Committee's consideration. He noted that, since issuing the draft report, the Committee had received new notifications, and that the report, including its Annexes, would therefore be updated to reflect those new notifications. The Chairperson sought Members' views and comments.

14.2. The representative of Hong Kong, China noticed that certain factual amendments were necessary regarding Hong Kong, China's notifications mentioned in Annex I; his delegation would send these amendments to the Secretariat.

14.3. The Chairperson proposed that the Committee agree to adopt the report subject to it being updated to take into account the Committee's work at that day's meeting, as well as the new notifications and documents received.

14.4. The Committee adopted the report (G/LIC/W/56).

## **15 DATE OF THE NEXT MEETING**

15.1. The Chairperson informed delegations that the Secretariat had tentatively reserved Thursday, 6 April 2023 as the date of the Committee's next formal meeting. He added that the final date would be confirmed well before the meeting itself, and that additional meetings may be convened as required.

15.2. The representative of India said that his delegation was aware that the Secretariat worked very hard on the scheduling of meetings. Nevertheless, they requested that conflicts with other meetings be avoided as this was helpful to delegations, especially the smaller ones.

15.3. The Committee took note of the statements made.

## **16 APPOINTMENT OF VICE-CHAIRPERSON**

16.1. The Chairperson recalled that according to its Rules of Procedures, the Committee on Import Licensing "shall elect ... a Vice-Chairperson". He informed delegations that he was in the process of conducting bilateral consultations to identify the name of a Vice-Chairperson for the Committee. Once a suitable candidate had been identified, the Secretariat would send an email to Members with the name of the proposed Vice-Chairperson for the Committee. If no objection were received within the time-frame indicated in the email, the candidate would be deemed to have been elected by the Committee by acclamation.

16.2. The Committee so agreed.

## **17 OTHER BUSINESS**

17.1. The Chairperson recalled that, at the outset of the meeting, the European Union had raised an agenda item regarding the Dominican Republic's draft legislation on a new import licensing system.

17.2. The representative of the European Union expressed her delegation's concern about the Dominican Republic's draft legislation setting up a new system of import licences for agricultural products. The EU noted that the very broad scope of the proposed changes, covering several hundred tariff lines, could lead to an increase in the administrative burden on exporters. In parallel to automatic licences, the draft introduced non-automatic licensing, including for products that were not covered by tariff rate quotas. Furthermore, the proposed non-automatic licensing system for products not covered by tariff rate quotas introduced uncertainty about the criteria for granting import licences and represented an impediment to trade. The EU wished to recall that WTO Members had recognized the need to minimize the incidence and complexities of import formalities and simplify import documentation requirements. Therefore, the EU requested information from the Dominican Republic concerning its plan for implementation, publication, and notification of the draft instruments, including whether transitions periods were foreseen.

17.3. The representative of the Dominican Republic thanked the European Union for the concerns expressed and said that the points raised would be transmitted to Capital and replies provided in due course. She also said that her delegation would appreciate receiving a copy of the EU's statement, listing these concerns, in writing.

17.4. The Committee took note of the statements made.

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