



REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

NOTIFICATION FOR 2019

COLOMBIA

The following communication¹, dated 31 March 2020, is being circulated at the request of the delegation of Colombia.

Outline of systems

1. Pursuant to Article 3 of Law No. 7(a) of 1991 regulating Colombia's foreign trade, goods are imported and exported in keeping with the principle of free international trade. This Law empowers the Higher Council for Foreign Trade to determine procedures and requirements for imports and exports.

There is a "free import" regime for imports, similar to an automatic licensing system, which in some cases requires import registration, and a "prior licensing" regime, equivalent to a non-automatic licensing system, under which authorization takes the form of an import licence. For most goods, no registration or import licence needs to be shown – there are no requirements other than the submission of a final import declaration to the customs authorities.

Decree No. 925 of 9 May 2013 sets out the provisions relating to applications for registration and import licensing.

1 AUTOMATIC LICENSING

Purposes and coverage of licensing

2. Apart from goods classified under the prior licensing regime, imports to Colombia are free. Normally, the only requirement is that an import declaration be submitted to the customs authorities to bring the goods into Colombia. Import registration (known internationally as automatic licensing) with the Ministry of Trade, Industry and Tourism (MinCIT) is required for imports subject to prerequisites (requirement, permit or authorization) on the part of the competent authorities.

Chapter III of Decree No. 925 of 2013 stipulates that the MinCIT Directorate of Foreign Trade, acting through the entities making up its Single Window for Foreign Trade (VUCE), is the authority responsible for examining and deciding on applications for import registration.

3. Automatic licensing applies to all countries. The automatic licensing requirement (import registration) depends on whether the goods to be imported are subject to requirements, permits or prior authorizations on the part of other control bodies (environmental, sanitary, phytosanitary, **animal health**, etc.).

4. The processing of automatic licences does not restrict the quantity or value of imports. Its purpose is essentially to apply foreign trade policy, particularly aspects relating to customs, as well as health, security and environmental protection controls.

¹ New information has been highlighted in bold.

5. Decree Law No. 444 of 1967 and Law No. 7(a) of 1991 form the legal basis for the processing of licences. Law No. 7(a) of 1991 established the Higher Council for Foreign Trade, which is the body that governs foreign trade and is in charge of determining the import regime for each product included in the Customs Tariff.

Procedures

6.I. Information relating to quotas, formalities for the filing of licence applications, exceptions and derogations is published in the Official Journal.

II. Quotas are determined on an annual basis. Import licences are issued for six months and may be extended for an additional six-month period.

III. Licences are allotted to importers regardless of whether they are producers of like products. The regulations require licensees to use a specific percentage of the amounts allocated by the licences issued and to surrender unused amounts, which are then reallocated to other eligible importers. Unused allocations are not added to quotas for the following year.

The list of importers to whom quotas have been granted is published on the websites of the MinCIT and the Single Window for Foreign Trade. The Ministry of Agriculture and Rural Development's also publishes the list on its website and in print.

IV. The deadline for the submission of licence applications is normally 30 days from the time of opening of the quota.

V. Licence applications are processed in **two** days.

VI. As regards quotas, there is a time limit for requesting import registration, which is normally 30 days from the date on which the provision governing the quota is issued. The import period runs from the date on which the registration is approved to the quota closing date set in each case.

VII. Once the relevant authorizations and permits have been granted by the competent authorities, licence applications are examined by a single administrative body under the responsibility of the MinCIT.

VIII. Licences are issued mainly on the basis of the past performance of traditional importers, which are allotted a major portion of the quota, the remainder being allocated to new importers.

Applications for quota allocation are examined simultaneously, the respective portions are allotted, and licence applications are then examined on a first come, first served basis. There is no quantitative limit on the allocation to be granted to each applicant.

IX. There are no bilateral quotas or export restraint arrangements.

X. Export permits from exporting countries are not required.

XI. Licences are not issued on the condition that the goods should be exported and not sold on the domestic market

There are no restrictions on the quantity or value of imports (see point 4 above).

7.(a) Applications for import registration or automatic licences must be processed by the VUCE before the import declaration is submitted, since they constitute a supporting document that must be appended to the declaration (**Article 556 of Decree No. 1165 of 2019**). Insofar as is possible, the importer should submit this document before the goods arrive in the country. However, there is no regulation to prevent the application from being approved if the import is permissible, even if the goods are in Colombia.

- (b) If goods arrive at a port without an import registration, the importer may apply for one (automatic licence) from the entities making up the VUCE in the MinCIT Directorate of Foreign Trade, on the importer's own account and under the importer's own responsibility. Once the import registration has been obtained, the goods must be cleared within one month of their arrival.² Otherwise, the importer must opt for reshipment, abandonment or legalization, as provided in the customs legislation (Decree No. **1165 of 2019**).
- (c) There are no limitations as to the time of year when applications for **import** registration may be made.
- (d) The MinCIT Directorate of Foreign Trade, through the entities making up the VUCE, is the authority responsible for examining and deciding on applications for import registration. The entities forming part of the VUCE must issue an authorization (sanitary, environmental, national security, etc.) within their respective spheres of competence within **one working day** of receiving the application, provided that the applicant has met all the relevant requirements. The MinCIT must then decide, within **one working day**, on applications accompanied by all the approvals delivered by the VUCE entities.

The requirements, permits and authorizations are specified in Article 25 of Decree No. 925 of 2013 and in particular in Circular No. 037 of 29 December 2016 **and its 22 annexes**.

8. Import registrations may be refused if the legal requirements for their authorization are not met or if the data supplied by the importer are unclear or incorrect. Applicants are always informed of the reason for the refusal. Since refusals are administrative acts, appeals against such decisions must be lodged through legal channels.

Eligibility of importers to apply for registration or automatic licensing

9. Any natural or legal person in the private or even the public sector may apply for import registration, either directly or through a customs agency or a duly accredited special representative.

Documents and other requirements for registration or automatic licence applications

10. Applications for import registration must be submitted electronically to the MinCIT Directorate of Foreign Trade. Electronic applications are submitted through the VUCE, which was created by Decree No. 4149 of 10 December 2004. The computer software designed for that purpose enables the user to send applications to the entities responsible for granting permits, authorizations and prior approval for the importation of goods where required before they are examined by the entities making up the VUCE at the MinCIT Directorate of Foreign Trade. The relevant instructions can be accessed **in the guides** by clicking the help button on the VUCE website (<http://www.vuce.gov.co>).

Applications for import registration (automatic licences) must be accompanied by the documents attesting to the specific conditions of each operation; for example, where the product being imported is subject to a technical regulation, it must be accompanied by certificates of conformity attesting to its compliance with the relevant requirements. For non-refundable operations, it is no longer necessary to indicate the reason why they are non-refundable or to provide the VUCE with any documentation justifying the non-refund, without prejudice to any verification or exchange control carried out by the competent authority (see section 1.4 of Circular No. 023 of 2018, available at <http://www.vuce.gov.co>).

Users are informed by circular and news published on the website <http://www.vuce.gov.co> of the documents to be appended to import applications, without prejudice to the provision in **Article 5** of Decree No. 925 of 2013 authorizing requests that the importer supply any additional information needed to assess the application.

11. The documents required upon actual importation are set out in **Article 556** of Decree No. **1165 of 2019** (Customs Regime) and its Implementing Order No. **46 of 2019** of the **National Tax and Customs** Directorate (**DIAN**), and include: import registration or licence, **where applicable**;

² Article 10 of Decree No. 2557 of 2007 amended Article 115 of the Customs Statute (Decree No. 2685 of 1999).

commercial invoice, **where applicable**; transport document; **packing list, where applicable**; certificate of origin **or certificate of health, where applicable**; documents required by special provisions; power of attorney, **where there is no customs endorsement and the import declaration is submitted through a customs agency or a representative**; **Andean Value Declaration and supporting documents, where applicable**; **sales contract or document attesting that foreign products subject to consumption tax are destined for third countries, where applicable, in accordance with Article 18 of Law No. 677 of 2001, as amended by Article 1 of Law No. 1087 of 2006**; and import declaration.

12. A fee of approximately USD 7.50 is charged for electronic import registrations.

13. The issuing of registrations is not subject to any deposit or advance payment.

Conditions for the issuing of licences

14. The period of validity of automatic import licences is established in Decree No. 925 of 2013. At present, it extends for six months from the date of approval of the registration. Import licences for capital goods on the special list issued by the Higher Council for Foreign Trade are valid for 12 months starting automatically on the date of approval of the registration.

Automatic licences or registrations may be used throughout the period of their validity, regardless of any change in the import regime, for part or all of the goods covered.

Automatic licences or import registrations may be extended for three months, provided that the conditions and requirements in the original registration are met and there has been no change of regime for any of the goods covered.

In duly evidenced cases, a second and final extension may be granted for another three months and, in the case of capital goods, further extensions may be granted for successive periods of up to three months each, without exceeding 12 months.

For functional units, indefinite extensions may be granted for successive periods of up to three months each.

15. There is no penalty for the non-utilization of an automatic licence or **import** registration, or a portion thereof.

16. Automatic licences or import registrations may be modified if there is a change of importer, provided that they have not been used with the customs authority. In such cases the relevant application must be signed by both the assignor and the assignee.

17. No, there are no conditions attached to the issue of a licence.

Other procedural requirements

18. No.

19. The MinCIT is not responsible for establishing the availability of foreign exchange for payment of imports. There is currently complete availability of foreign exchange to cover the value of imports.

2 NON-AUTOMATIC LICENSING

1. When issuing non-automatic import licences, the MinCIT Imports Committee applies the import policy and criteria established by the National Government.

Purposes and coverage of non-automatic licensing

2. Chapter II of Decree No. 925 of 2013 covers the imports subject to the prior licensing regime, the definition thereof and other relevant information applicable by the MinCIT Imports Committee in the processing of non-automatic licences.

Electronic applications for prior licences must be submitted through the Single Window for Foreign Trade (VUCE).

3. The regime applies to all countries, barring exceptions established in specific provisions.
4. The processing of non-automatic licences is not intended to restrict the quantity or value of imports. Its purpose is, essentially, to apply foreign trade policy according to clearly established criteria and to make it easier for users to complete the procedures for foreign trade operations required by the various government agencies involved in foreign trade.
5. Decree Law No. 444 of 1967 and Law No. 7(a) of 1991 form the legal basis for the processing of non-automatic licences. Law No. 7(a) of 1991 established the Higher Council for Foreign Trade, which is the body that governs foreign trade and is in-charge of determining the import regime for each product included in the Customs Tariff.

Article 14 of Decree No. 925 of 2013 establishes which imports are subject to non-automatic licensing. Annex 1 to this Decree lists the tariff subheadings for which the National Government established the prior licensing regime.

Pursuant to Decree No. 723 of 10 April 2014, the following tariff subheadings have been excluded from the above-mentioned Annex 1: 8429.11.00.00, 8429.19.00.00, 8429.51.00.00; 8429.52.00.00, 8429.59.00.00, 8431.41.00.00, 8431.42.00.00 and 8905.10.00.00.

Decree No. 2133 of 2016 made mercury imports under subheading 2805.40.00.00 subject to non-automatic import licensing.

Decree No. 613 of 2017 introduced non-automatic licensing for the import of seeds for sowing, cannabis plants, cannabis, derivatives of cannabis and cannabis products.

These decrees are available at <http://www.mincit.gov.co/normatividad/decretos>.

Procedures

- 6.I. Information relating to quotas, formalities for the filing of licence applications, exceptions and derogations is published in the Official Journal.
- II. Quotas are determined on an annual basis. Import licences are issued for six months, provided that this does not exceed the quota period. Extensions are granted for a maximum of three months, subject to the same condition.
- III. Licences are allotted to importers regardless of whether they are producers of like products. If an amount is not allocated or used by the importer within the specified time limits, there is no subsequent allocation or redistribution. The amount allocated to an importer is non-transferable and must be used by the beneficiary. The list of importers to whom licences have been granted is published on the websites of the MinCIT and the Single Window for Foreign Trade.
- IV. The deadline for the submission of licence applications is normally **no more than 15 days** from the time of opening of the quota.
- V. It normally takes one day to process an application for a non-automatic licence. This is the case both for operations under quota arrangements and for all other applications.
- VI. As regards quotas, there is a time limit for requesting a non-automatic import licence, which is normally **no more than 15 days** from the date on which the provision governing the quota is issued. The import period runs from the date on which the non-automatic licence is approved to the quota closing date set in each case.
- VII. Once the authorizations and permits have been granted by the relevant competent authorities through the Single Window for Foreign Trade, licence applications are examined by a single administrative body, namely the Imports Committee of the MinCIT Directorate of Foreign Trade.

VIII. Licences are issued mainly on the basis of the past performance of traditional importers, which are allotted a major portion of the quota, the remainder being allocated to new importers.

Applications for quota allocation are examined simultaneously, the respective portions are allotted, and licence applications are then examined on a first come, first served basis.

IX. There are no bilateral quotas or export restraint arrangements.

X. Export permits from exporting countries are not required.

XI. Licences are not issued on the condition that the goods should be exported and not sold on the domestic market

There are no restrictions on the quantity or value of imports under the prior licensing regime.

The Constitution confers exclusivity on the National Government for the import of raw materials for explosives, armaments and, in general, goods for use solely by the armed forces.

7.(a) Authorizations to import goods subject to prior or non-automatic licensing must be processed well ahead of time by the MinCIT Directorate of Foreign Trade, inasmuch as Decree No. **1165 of 2019** provides that, in order to be cleared by customs, the goods must be covered by a prior or non-automatic licence valid on the date of customs clearance.

However, there is no regulation to prevent a non-automatic licence from being obtained if the import is permissible, even if the goods are in Colombia.

(b) If goods subject to prior or non-automatic licensing arrive at a port without a licence, the importer may apply to the MinCIT Imports Committee for a prior licence, on the importer's own account and under the importer's own responsibility. If the licence is granted, the goods must be cleared within one month of their arrival. Otherwise, the importer must opt for reshipment, abandonment or legalization, as provided in the customs legislation (Decree No. **1165 of 2019**).

(c) There are no limitations as to the time of year when licence applications may be made.

(d) Applications for import licences, amendments thereto or cancellations thereof are submitted through the Single Window for Foreign Trade (VUCE). Licence applications are examined by a single administrative body, namely the Imports Committee of the MinCIT Directorate of Foreign Trade, unless the goods to be imported require permits or prior authorizations from the relevant authorities. In these cases, the entities forming part of the VUCE must process applications for import under the non-automatic licensing (prior licensing) regime within **two** working days of the competent entity receiving the application via the VUCE, provided that the applicant has met all the relevant requirements. The MinCIT must then decide within one working day on the import licence applications, accompanied where applicable by the approvals delivered by the VUCE entities. The requirements, permits and authorizations are specified in Article 25 of Decree No. 925 of 2013.

8. Non-automatic import licences may be refused if the legal requirements for their authorization are not met or if the data supplied by the importer are incorrect or inaccurate.

Applicants are always informed of the reason for the refusal. They may appeal against refusals under the Administrative Disputes Code. If all applications for redress to government bodies fail, they may apply for judicial review by the administrative courts, the procedures for which are established in the Administrative Disputes Code.

Eligibility of importers to apply for a non-automatic licence

9. Any natural or legal person in the private or public sector may apply for a prior or non-automatic import licence, either directly or through a customs agency or a duly accredited special representative.

Exclusivity is conferred on the National Government for the import of armaments, raw materials for explosives, explosives, etc., through Industria Militar (INDUMIL), in accordance with Decrees Nos. 2535 of 1993 and 1809 of 1994.

10. Applications for import registration must be submitted electronically through the Single Window for Foreign Trade (VUCE) to the MinCIT Imports Committee. This Single Window was created by Decree No. 4149 of 10 December 2004. The computer software designed for that purpose enables the user to send the application to the entities responsible for granting permits, authorizations or prior approval for the importation of goods where required before it is examined by the Imports Committee. The import licence application form and the relevant instructions can be accessed at <http://www.vuce.gov.co/vuce/vuce-2-0>.

Applications must be accompanied by the documents attesting to the specific conditions of each operation; for example, in the case of goods under special market conditions, the supporting documents must include a technical data sheet, catalogues, etc. (Article 5 of Decree No. 925 of 2013).

Users are informed by circular of the documents to be appended to import applications, without prejudice to the provision in Decree No. 925 of 2013 authorizing requests that the importer supply any additional information needed to assess the application.

11. The documents required upon actual importation are set out in **Article 556 of Decree No. 1165 of 2019** (Customs Regime) and its Implementing Order No. **46 of 2019** of the **National Tax and Customs Directorate (DIAN)**, and include: import registration or licence, **where applicable**; commercial invoice, **where applicable**; transport document; **packing list, where applicable**; certificate of origin **or certificate of health, where applicable**; documents required by special provisions; power of attorney, **where there is no customs endorsement and the import declaration is submitted through a customs agency or a representative; Andean Value Declaration and supporting documents, where applicable; sales contract or document attesting that foreign products subject to consumption tax are destined for third countries, where applicable, in accordance with Article 18 of Law No. 677 of 2001, as amended by Article 1 of Law No. 1087 of 2006**; and import declaration.

12. A fee of approximately USD **7.50** is charged for applications for non-automatic licences. With the implementation of the VUCE 2.0 platform, the purchase of software for the mass transmission of applications was abolished since importers can use the platform for this purpose. Importers were notified of this change through Circular No. 037 of 2018 of the MinCIT Directorate of Foreign Trade.

13. The issuing of licences is not subject to any deposit or advance payment.

Conditions for the issuing of non-automatic licences

14. The period of validity of prior or non-automatic import licences is established in Decree No. 925 of 2013. Under Article 6 of the Decree, non-automatic licences are valid for a period of six months starting on the date of approval.

Licences for capital goods on the special list issued by the Higher Council for Foreign Trade have a period of validity of 12 months starting on the date of approval. Licences covering imports of substances classified as narcotics precursors are valid for a period of three months. In the case of products subject to requirements, permits or authorizations by other control entities, the validity of the licence will depend on the date on which the permit was granted, without exceeding the aforementioned time limits.

Import licences may be extended by the Imports Committee for a period of three months, provided that application is made before the expiry of the licence originally granted.

In duly evidenced cases, a further extension may be granted for another three months and, in the case of capital goods, further extensions may be granted for successive periods of up to three months each, without exceeding 12 months. For functional units, indefinite extensions may be granted for successive periods of up to three months each.

15. There is no penalty for the non-utilization of a non-automatic licence, or a portion thereof.

16. Non-automatic import licences may be modified if there is a change of importer. In such cases the relevant application must be signed by both the assignor and the assignee. In the specific case of goods imported solely through INDUMIL, transfers are not allowed.

In the case of narcotics precursors, no modification may be made to import licences under the headings concerning the importer, period of utilization of the licence, or products covered. Approval by the National Narcotics Council is needed for any other accepted change.

17. No, there are no conditions attached to the issue of a licence.

Other procedural requirements

18. No.

19. The MinCIT is not responsible for establishing the availability of foreign exchange for payment of imports. There is currently complete availability of foreign exchange to cover the value of imports.
