



Committee on Import Licensing

DRAFT

**REPORT (2016) OF THE COMMITTEE ON IMPORT LICENSING
TO THE COUNCIL FOR TRADE IN GOODS**

1. The Agreement on Import Licensing Procedures (hereinafter "the Agreement") which entered into force on 1 January 1995, establishes disciplines on users of import licensing systems with the principal objective of ensuring that the procedures applied for granting import licences do not in themselves restrict trade. It aims to simplify, clarify and minimize the administrative requirements necessary to obtain import licences.
2. The Committee on Import Licensing was established to afford Members the opportunity of consulting on any matters relating to the operation of the Agreement or the furtherance of its objectives. The Committee's Rules of Procedure, which were approved by the Council for Trade in Goods, are contained in document G/L/147.
3. All Members of the WTO are *ipso facto* members of the Committee. Observer governments in the General Council of the WTO have Observer status in the Committee. The International Monetary Fund, the World Bank and UNCTAD have regular Observer status in the Committee.
4. The focus of this report is on the period since the Committee's last annual report (G/L/1132), i.e. 21 October 2015 - 20 October 2016 (hereinafter "the review period"). In 2016, the Committee held two formal meetings on 21 April and 3 November (G/LIC/M/43 and [G/LIC/M/44]). On 11 May, a fax was sent to the membership on the nomination, by the Council for Trade in Goods, of Mr. Tapio Pyysalo (Finland) as Chairperson for the Committee of 2016. On 12 May, the Committee elected him by acclamation. On 22 July, Mr. Marcial Espinola of Paraguay, nominated by the Chairperson, was elected as Vice Chairperson of the Committee in the same approach. Pursuant to the Committee's Rules of Procedure, they shall hold office until the end of the first meeting of the following year.
5. Pursuant to Articles 1.4(a) and/or 8.2(b) of the Agreement and procedures agreed by the Committee, all Members are required, to notify their laws, regulations and administrative procedures relevant to import licensing and submit copies of any relevant publications or laws and regulations upon becoming a WTO Member. Any subsequent changes to these laws, regulations and administrative procedures are also required to be published and notified. During the review period, the Committee reviewed [25] notifications (Annex I) from the following [13] Members: [Afghanistan; Bolivia; Brazil; Ecuador; the European Union; Macao, China; Paraguay; Philippines; Russian Federation; Seychelles; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Tajikistan and Thailand]. These notifications can be found in document series G/LIC/N/1/-. Copies of publications and legislation submitted with these notifications are available for consultation in the Secretariat.
6. The Committee also reviewed, pursuant to paragraphs 5.1-5.4 of Article 5, [18] notifications (Annex II) relating to the institution of new import licensing procedures or changes in these procedures from [11] Members: [Argentina; Bolivia; Brazil; El Salvador; the European Union; Hong Kong, China; Indonesia; Jamaica; Malaysia; Paraguay and Russian Federation]. These notifications can be found in documents series G/LIC/N/2/-. Article 5.5 of the Agreement allows Members to submit reverse notifications, where a Member considers that another Member has not notified the institution of a licensing procedure or changes in the procedures. However, no such reverse notifications have been received under this provision since the entry into force of this Agreement.

7. Article 7.3 of the Agreement requires all Members to provide replies to the Questionnaire on Import Licensing Procedures¹ by 30 September each year. During the review period, the Committee reviewed [43] notifications (Annex III) from the following [35] Members: [Australia; Brazil; Cameroon; Canada; Colombia; Costa Rica; Cuba; Dominican Republic; the European Union; El Salvador; Honduras; Hong Kong, China; India; Indonesia; Korea; Jamaica; Japan; Jordan; Kazakhstan; Kuwait; Liechtenstein; Malaysia; Mali; Macao, China; Mauritius; Panama; Philippines; Russian Federation; Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Seychelles; Singapore; Switzerland; Turkey; Ukraine and Uruguay]. These notifications can be found in document series G/LIC/N/3/-.

8. During the review period, six Members submitted for the first time, notifications to the Committee under various Articles of the Agreement: (i) under Articles 1.4(a)/8.2(b): Afghanistan, Seychelles and Tajikistan; (ii) under Article 5: Bolivia and El Salvador; (iii) under Article 7.3: El Salvador, Kazakhstan and Seychelles. The Chair thanked these Members for their notifications and urged Members who had not yet notified and those who had not updated their notifications to do so as soon as possible.

9. Written comments and questions concerning notifications submitted to the Committee and/or on import licensing procedures maintained by Members, and replies thereto, may be found in document series G/LIC/Q/-. During the review period: the European Union posed written questions to Malaysia (G/LIC/Q/MYS/12) and Morocco (G/LIC/Q/MAR/1). The following Member(s) provided written responses to comments and questions: Mexico to questions from the United States (G/LIC/Q/MEX/2).

10. The Committee has provided a regular forum for exchanging views on specific trade issues raised by Members. The following Members made statements on specific issues regarding other Members' import licensing regimes/measures. At Committee meeting(s) during the review period, the United States made statements on Indonesia's import licensing regime for cellphones, handheld computers and tablets; on India's import licensing requirements for boric acid; on Bangladesh's import licensing procedures; on Mexico's steel import licensing program as well as on Viet Nam's import requirements on distilled spirits and the completeness of its notification. The European Union made statements on Brazil's regulatory requirements for nitrocellulose import. The Russian Federation made statement on European Union's import licensing system on steel. Members whose licensing measures have been questioned responded at the meeting(s).

11. For some time now, the low level of compliance of Members with the transparency obligations of the Agreement has been the main preoccupation of the Committee. During the review period, five informal meetings (16 February, 5 April, 2 June, 17 October and 3 November of 2016) have been held on improving transparency and streamlining the notification procedures and templates of the Agreement. To facilitate the discussion, the Secretariat prepared a number of background papers and presentations, which have been circulated in documents RD/LIC/6, 7, 8 and 9. There is a general recognition that the issue of overlapping notification requirements contained in different provisions, as well as the duplications in current notification templates contributed to the low compliance of notifications under this Agreement. Members have started to discuss possible new approaches to improving transparency and the technical work is ongoing.

¹ Annexed to document G/LIC/3.

**ANNEX I: NOTIFICATIONS REVIEWED DURING THE REVIEW PERIOD PURSUANT
TO ARTICLES 1.4(A) AND/OR 8.2(B) OF THE AGREEMENT
[FROM 21 OCTOBER 2015 TO 21 OCTOBER 2016]**

| MEMBER | DOCUMENT | DATE OF ISSUANCE OF THE DOCUMENT |
|--|------------------------|---|
| AFGHANISTAN | G/LIC/N/1/AFG/1 | 10/08/2016 |
| BOLIVIA | G/LIC/N/1/BOL/2 | 09/03/2016 |
| | G/LIC/N/1/BOL/3 | 23/09/2016 |
| | G/LIC/N/1/BOL/4 | 27/09/2016 |
| BRAZIL | G/LIC/N/1/BRA/7 | 31/08/2016 |
| | G/LIC/N/1/BRA/7/CORR.1 | 06/09/2016 |
| ECUADOR | G/LIC/N/1/ECU/6 | 23/09/2016 |
| EUROPEAN UNION | G/LIC/N/1/EU/8 | 31/05/2016 |
| | G/LIC/N/1/EU/9 | 20/10/2016 |
| MACAO, CHINA | G/LIC/N/1/MAC/6 | 24/06/2016 |
| PARAGUAY | G/LIC/N/1/PRY/7 | 10/08/2016 |
| PHILIPPINES | G/LIC/N/1/PHL/5 | 17/10/2016 |
| RUSSIAN FEDERATION | G/LIC/N/1/RUS/7 | 24/11/2015 |
| | G/LIC/N/1/RUS/8 | 24/11/2015 |
| | G/LIC/N/1/RUS/9 | 24/11/2015 |
| | G/LIC/N/1/RUS/10 | 24/11/2015 |
| | G/LIC/N/1/RUS/11 | 04/12/2015 |
| | G/LIC/N/1/RUS/12 | 04/10/2016 |
| | G/LIC/N/1/RUS/13 | 04/10/2016 |
| | G/LIC/N/1/RUS/14 | 04/10/2016 |
| | G/LIC/N/1/RUS/15 | 04/10/2016 |
| | G/LIC/N/1/RUS/16 | 04/10/2016 |
| SEYCHELLES | G/LIC/N/1/SYC/1 | 22/08/2016 |
| SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU | G/LIC/N/1/TPKM/11 | 22/08/2016 |
| TAJIKISTAN | G/LIC/N/1/TJK/1 | 23/11/2015 |
| THAILAND | G/LIC/N/1/THA/2 | 21/10/2016 |

**ANNEX II: NOTIFICATIONS REVIEWED DURING THE REVIEW PERIOD PURSUANT TO
PARAGRAPHS 5.1-5.4 OF ARTICLE 5 OF THE AGREEMENT
[FROM 21 OCTOBER 2015 TO 21 OCTOBER 2016]**

| MEMBER | DOCUMENT | DATE OF ISSUANCE OF THE DOCUMENT |
|--------------------|------------------------|---|
| ARGENTINA | G/LIC/N/2/ARG/27 | 10/03/2016 |
| | G/LIC/N/2/ARG/27/ADD.1 | 12/05/2016 |
| | G/LIC/N/2/ARG/27/ADD.2 | 08/08/2016 |
| | G/LIC/N/2/ARG/27/ADD.3 | 23/09/2016 |
| BOLIVIA | G/LIC/N/2/BOL/1 | 28/06/2016 |
| | G/LIC/N/2/BOL/2 | 21/09/2016 |
| BRAZIL | G/LIC/N/2/BRA/7 | 31/08/2016 |
| EL SALVADOR | G/LIC/N/2/SLV/1 | 27/04/2016 |
| EUROPEAN UNION | G/LIC/N/2/EU/8 | 31/05/2016 |
| | G/LIC/N/2/EU/9 | 20/10/2016 |
| HONG KONG, CHINA | G/LIC/N/2/HKG/7 | 08/08/2016 |
| INDONESIA | G/LIC/N/2/IDN/29 | 02/11/2015 |
| | G/LIC/N/2/IDN/30 | 10/03/2016 |
| | G/LIC/N/2/IDN/31 | 10/03/2016 |
| JAMAICA | G/LIC/N/2/JAM/3 | 01/04/2016 |
| MALAYSIA | G/LIC/N/2/MYS/7 | 23/09/2016 |
| PARAGUAY | G/LIC/N/2/PRY/6 | 10/08/2016 |
| RUSSIAN FEDERATION | G/LIC/N/2/RUS/2 | 04/12/2015 |

**ANNEX III: NOTIFICATIONS REVIEWED DURING THE REVIEW PERIOD
PURSUANT TO ARTICLE 7.3 OF THE AGREEMENT
[FROM 21 OCTOBER 2015 TO 21 OCTOBER 2016]**

| MEMBER | DOCUMENT (YEAR NOTIFIED FOR) | | DATE OF ISSUANCE OF THE DOCUMENT |
|------------------------|---|--------------------------|---|
| AUSTRALIA | G/LIC/N/3/AUS/8 | (2015) | 01/03/2016 |
| BRAZIL | G/LIC/N/3/BRA/11 | (2016) | 31/08/2016 |
| CAMEROON | G/LIC/N/3/CMR/6 | (2016) | 31/05/2016 |
| CANADA | G/LIC/N/3/CAN/14 | (2014) | 25/02/2016 |
| | G/LIC/N/3/CAN/15 | (2015) | 06/10/2016 |
| COLOMBIA | G/LIC/N/3/COL/11 | (2015) | 21/03/2016 |
| COSTA RICA | G/LIC/N/3/CRI/12 | (2015) | 05/11/2015 |
| CUBA | G/LIC/N/3/CUB/8 | (2016) | 27/09/2016 |
| DOMINICAN REPUBLIC | G/LIC/N/3/DOM/8 | (2014, 2015, 2016) | 02/02/2016 |
| EL SALVADOR | G/LIC/N/3/SLV/1 | (2016) | 27/04/2016 |
| EUROPEAN UNION | G/LIC/N/3/EU/5 | (2016) | 21/10/2016 |
| HONDURAS | G/LIC/N/3/HND/10 | (2016) | 12/08/2016 |
| HONG KONG, CHINA | G/LIC/N/3/HKG/20 | (2016) | 28/09/2016 |
| INDIA | G/LIC/N/3/IND/15 | (2015) | 09/03/2016 |
| | G/LIC/N/3/IND/16 | (2016) | 19/10/2016 |
| INDONESIA | G/LIC/N/3/IDN/8 | (2013) | 02/11/2015 |
| | G/LIC/N/3/IDN/9 | (2014) | 02/11/2015 |
| | G/LIC/N/3/IDN/10 | (2015) | 12/02/2016 |
| JAMAICA | G/LIC/N/3/JAM/5 | (2016) | 01/04/2016 |
| JAPAN | G/LIC/N/3/JPN/15 | (2016) | 05/10/2016 |
| JORDAN | G/LIC/N/3/JOR/3 | (2016) | 05/10/2016 |
| KAZAKHSTAN | G/LIC/N/3/KAZ/1 | (2016) | 29/06/2016 |
| | G/LIC/N/3/KAZ/1/Corr.1 | | 20/09/2016 |
| KOREA, REPUBLIC OF | G/LIC/N/3/KOR/11 | (2015) | 30/10/2015 |
| KUWAIT, THE STATE OF | G/LIC/N/3/KWT/5 | (2015) | 05/11/2015 |
| | G/LIC/N/3/KWT/6 | (2016) | 08/08/2016 |
| LIECHTENSTEIN | G/LIC/N/3/LIE/9 | (2016) | 20/10/2016 |
| MACAO, CHINA | G/LIC/N/3/MAC/19 | (2016) | 24/06/2016 |
| | G/LIC/N/3/MAC/19/Corr.1 | | 17/07/2016 |
| MALAYSIA | G/LIC/N/3/MYS/11 | (2015) | 10/03/2016 |
| MALI | G/LIC/N/3/MLI/7 | (2015) | 10/03/2016 |
| MAURITIUS | G/LIC/N/3/MUS/6 | (2015) | 08/08/2016 |
| MEXICO | G/LIC/N/3/MEX/5 | (2016) | 20/10/2016 |
| PANAMA | G/LIC/N/3/PAN/7 | (2016) | 10/06/2016 |
| PHILIPPINES | G/LIC/N/3/PHL/12 | (2016) | 19/10/2016 |
| THE RUSSIAN FEDERATION | G/LIC/N/3/RUS/2/Rev.1 | (2015) | 02/11/2015 |
| | G/LIC/N/3/RUS/3 | (2016) | 05/10/2016 |

| MEMBER | DOCUMENT (YEAR NOTIFIED FOR) | | DATE OF ISSUANCE OF THE DOCUMENT |
|--|---------------------------------|--------|--|
| SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU | G/LIC/N/3/TPKM/7 | (2016) | 22/08/2016 |
| SEYCHELLES | G/LIC/N/3/SYC/1 | (2015) | 11/04/2016 |
| | G/LIC/N/3/SYC/2 | (2016) | 22/08/2016 |
| SINGAPORE | G/LIC/N/3/SGP/11 | (2015) | 18/03/2016 |
| SWITZERLAND | G/LIC/N/3/CHE/11 | (2015) | 02/11/2015 |
| | G/LIC/N/3/CHE/12 | (2016) | 30/09/2016 |
| TURKEY | G/LIC/N/3/TUR/15 | (2016) | 10/10/2016 |
| UKRAINE | G/LIC/N/3/UKR/9 | (2016) | 09/08/2016 |
| URUGUAY | G/LIC/N/3/URY/8 | (2014) | 29/03/2016 |
| | G/LIC/N/3/URY/9 | (2015) | 30/03/2016 |