

29 September 2020

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Committee on Import Licensing

DRAFT REPORT (2020) 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 matter 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/1328), namely 5 October 2019 9 October 2020 (hereinafter "the reporting period"). In 2020, due to the COVID-19 pandemic and related restrictions of in-person activities, the Committee held only one formal meeting, on 9 October 2020 ([G/LIC/M/51]). One informal meeting, on 29 January, and one informal virtual meeting, on 5 June 2020, were held under the chairpersonship of Ms Carol Tsang (Hong Kong, China). On 30 July 2020, through written procedures, the Committee elected Dr Muhammad Irfan (Pakistan) by acclamation as Chairperson of the Committee for 2020.¹ Pursuant to the Committee's Rules of Procedure, the officers 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 to 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. Pursuant to subparagraphs 1-4 of Article 5, Members are also required to notify the institution of new import licensing procedures or changes in these procedures to the Committee within 60 days of publication. To streamline notification procedures, a notification form, circulated in document G/LIC/28, was adopted by the Committee (at its formal meeting on 4 April 2019) to be used by Members on a voluntary basis for notifications under Article 5.1-5.4, Article 1.4(a), and Article 8.2(b) of the Agreement. These notifications can be found in document series G/LIC/N/2/-.
- 6. During the reporting period, the Committee reviewed 210 notifications under these three provisions (Annex I) from the following 18 Members: Argentina; Costa Rica; Hong Kong, China; Indonesia; Republic of Korea; Macao, China; Morocco; Myanmar; Philippines; Kingdom of Saudi Arabia; Seychelles; Singapore; Switzerland-Liechtenstein; Chinese Taipei; Thailand; Ukraine; and Viet Nam.²
- 7. 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

¹ [...] was elected Vice-Chairperson of the Committee by acclamation on [9 October 2020].

² New notifications have been received from [...], which will be reviewed at the Committee's next meeting.

in the procedures. However, no such reverse notifications have been received within the reporting period.

- 8. Article 7.3 of the Agreement requires all Members to provide replies to the Questionnaire on Import Licensing Procedures³ by 30 September each year. During the reporting period, the Committee reviewed 39 notifications (Annex II) from the following 34 Members: Albania; Kingdom of Bahrain; Cameroon; Canada; China; Colombia; Costa Rica; Cuba; El Salvador; European Union; Hong Kong, China; India; Indonesia; Japan; Kazakhstan; Republic of Korea; Macao, China; Malaysia; Mauritius; Montenegro; New Zealand; Panama; Philippines; the Russian Federation; Seychelles; Singapore; South Africa; Switzerland-Liechtenstein; Chinese Taipei; Turkey; Ukraine; United States; and Uruguay.⁴ These notifications can be found in document series G/LIC/N/3/-.
- 9. The Committee has provided a regular forum for exchanging views on notifications submitted by Members. 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 the document series G/LIC/Q/-. During the review period, the United States posed questions to the Dominican Republic (G/LIC/Q/DOM/2); Egypt (G/LIC/Q/EGY/3); Argentina (G/LIC/Q/ARG/18) and Kenya (G/LIC/Q/KEN/1). Japan posed questions to Indonesia (G/LIC/Q/IDN/41). The following Members provided written responses to comments and questions: Brazil to the European Union (G/LIC/Q/BRA/25); Egypt to the European Union (G/LIC/Q/EGY/2); Kenya to the United States (G/LIC/Q/KEN/2) and Myanmar to the United States (G/LIC/Q/MMR/2). At the Committee's meeting, Members exchanged views on the issues raised.
- 10. In addition, the following Members requested to include in the agenda specific issues regarding other Members' import licensing regimes and measures. At the Committee meeting held on 9 October 2020, the European Union made an oral statement on Brazil's importation of nitrocellulose; on Egypt's import licensing requirements for certain agricultural and processed products; on India's importation of pneumatic tyres; on Indonesia's import licensing regime for certain textile products; and on Thailand's importation of feed wheat. The United States made oral statements on China's changes to import licensing for certain recoverable materials; on India's import licensing requirement for boric acid and on Indonesia's import licensing regime for cellphones, handheld computers, and tablets. Canada and Australia made statements on India's quantitative restrictions on certain pulses. Members whose licensing measures had been questioned responded at the meeting and other interested Members also made comments.
- 11. At the informal meeting held on 29 January 2020, the Chairperson, based on her consultations with Members, outlined a number of factors which had led to the low compliance rate of notifications under Article 7.3 (the Reply to the Annual Questionnaire), namely, a lack of understanding of the Questionnaire, difficulties in coordinating among government agencies, and notification work not being given priority in Capitals. She urged Members to seek feasible solutions to improve the situation. The Secretariat made a presentation on notification obligations under Article 7.3 to Members. In addition, Members exchanged views on a number of operational issues concerning the Committee, including a schedule of meetings, an annotated agenda, a contact list of delegates and greater Member engagement at Committee meetings.
- 12. At the informal meeting held virtually on 5 June 2020, the Chairperson proposed the use of written procedures to review pending notifications and those Members that took the floor indicated that they were open to considering this proposal. The Chairperson also sought Members' views on holding an in-person formal meeting of the Committee in July. Some Members expressed reservations and the Chair subsequently postponed the Committee's next formal meeting to autumn.
- 13. At the Committee's formal meeting on 9 October 2020, the Committee officially launched the new import licensing website (https://importlicensing.wto.org). [....]
- 14. On technical assistance, from October 2019 to February 2020, the Secretariat organized a workshop on import licensing and notifications in Macao, China; provided technical assistance training sessions on import licensing issues during the Advanced Trade Policy Course (ATPC) in Geneva; during the Regional Trade Policy Course (RTPC) for French-speaking Africa, and for the

³ Annexed to document G/LIC/3.

⁴ New notifications under Article 7.3 have been received from [...], which are under preparation and will be circulated shortly. They will be reviewed at the Committee's next meeting.

National Workshop on WTO Notification Requirements held in Zimbabwe. Due to the COVID-19 pandemic, no on-the-ground technical assistance activities had been held since March 2020. Nevertheless, an online presentation on import licensing was delivered to Caribbean country officials during a virtual RTPC for the region in September 2020, as well as for East Timor in the context of its accession to the WTO.

ANNEX I: NOTIFICATIONS REVIEWED DURING THE REPORT PERIOD PURSUANT TO ARTICLE 1.4(A) AND/OR 8.2(B), ARTICLE 5.1-5.4 OF THE AGREEMENT¹ FROM 5 OCTOBER 2019 TO 9 OCTOBER 2020

MEMBER	DOCUMENT	DATE OF ISSUANCE OF THE DOCUMENT
ARGENTINA	G/LIC/N/2/ARG/28/Add.5 G/LIC/N/2/ARG/28/Add.6 G/LIC/N/2/ARG/28/Add.7 G/LIC/N/2/ARG/28/Add.7/Corr.1	05.03.2020 14.04.2020 29.07.2020 19.08.2020
COSTA RICA	G/LIC/N/2/CRI/4-24	05.02.2020
HONG KONG, CHINA	G/LIC/N/2/HKG/14 G/LIC/N/2/HKG/15 G/LIC/N/2/HKG/15/Corr.1 G/LIC/N/2/HKG/16	25.02.2020 26.05.2020 02.06.2020 28.08.2020
INDONESIA	G/LIC/N/2/IDN/43-44	18.10.2019
KOREA, REPUBLIC OF	G/LIC/N/2/KOR/3-6 G/LIC/N/2/KOR/7-19 G/LIC/N/2/KOR/20-23	11.11.2019 12.11.2019 13.11.2019
MACAO, CHINA	G/LIC/N/2/MAC/1	24.06.2020
MOROCCO	G/LIC/N/2/MAR/5 G/LIC/N/2/MAR/5/Corr.1	26.02.2020 06.03.2020
MYANMAR	G/LIC/N/2/MMR/2	16.09.2020
PHILIPPINES SAUDI ARABIA, KINGDOM	G/LIC/N/2/PHL/3-18 G/LIC/N/2/PHL/19-22 G/LIC/N/2/PHL/23-32 G/LIC/N/2/PHL/33-37 G/LIC/N/2/PHL/38-39 G/LIC/N/2/PHL/40-41 G/LIC/N/2/PHL/42-47 G/LIC/N/2/PHL/48-52 G/LIC/N/2/PHL/53-65 G/LIC/N/2/PHL/66-72 G/LIC/N/2/PHL/73 G/LIC/N/2/PHL/73 G/LIC/N/2/PHL/74-83 G/LIC/N/2/PHL/74-83 G/LIC/N/2/PHL/106-115 G/LIC/N/2/PHL/1106-115 G/LIC/N/2/PHL/116-118 G/LIC/N/2/PHL/119-139 G/LIC/N/2/PHL/119-139	10.03.2020 11.03.2020 12.03.2020 26.03.2020 27.03.2020 31.03.2020 01.04.2020 02.04.2020 09.04.2020 20.04.2020 23.04.2020 24.04.2020 29.04.2029 06.05.2020 18.05.2020 24.08.2020 24.08.2020 11.02.2020
OF SEYCHELLES	G/LIC/N/2/SYC/1	24.06.2020
SINGAPORE	G/LIC/N/2/SGP/7	30.04.2020
SWITZERLAND- LIECHTENSTEIN ²	G/LIC/N/2/CHE/4-6	01.10.2019
CHINESE TAIPEI	G/LIC/N/TPKM/8-13 G/LIC/N/2/TPKM/13/Rev.1	14.10.2019 08.04.2020
THAILAND	G/LIC/N/2/THA/5	04.06.2020
UKRAINE	G/LIC/N/2/UKR/9	05.02.2020
VIET NAM	G/LIC/N/2/VNM/3-18	16.12.2019

¹ New notifications from [...] have been received, which will be reviewed at the Committee's next formal

meeting. 2 Notifications from Switzerland-Liechtenstein (G/LIC/N/2/CHE/4-6) had been circulated before the reporting period; however, they were reviewed at the Committee's meeting of 9 October 2020.

ANNEX II: NOTIFICATIONS REVIEWED DURING THE REPORT PERIOD PURSUANT TO ARTICLE 7.3 OF THE AGREEMENT³ FROM 5 OCTOBER 2019 TO 9 OCTOBER 2020

MEMBER	DOCUMENT (YEAR NOTIFIED FO	OP)	DATE OF ISSUANCE OF THE DOCUMENT
	(TEAR NOTH LED IV	OK)	Of THE DOCOMENT
ALBANIA	G/LIC/N/3/ALB/8	2019	20.11.2019
BAHRAIN, KINGDOM OF	G/LIC/N/3/ALB/9 G/LIC/N/3/BHR/3	2020 2019	25.09.2020 17.12.2019
CAMEROON	G/LIC/N/3/CMR/8	2018-2019	01.10.2019
CANADA	G/LIC/N/3/CAN/19	2019	10.07.2020
CHINA	G/LIC/N/3/CHN/16 G/LIC/N/3/CHN/17 G/LIC/N/3/CHN/18 G/LIC/N/3/CHN/18/Corr.1	2017 2018 2019	30.01.2020 30.01.2020 30.01.2020 05.02.2020
COLOMBIA	G/LIC/N/3/COL/13	2019	16.04.2020
COSTA RICA	G/LIC/N/3/CRI/16	2019	10.02.2020
CUBA	G/LIC/N/3/CUB/10	2019	13.03.2020
EL SALVADOR	G/LIC/N/3/SLV/4	2019	27.08.2020
EUROPEAN UNION	G/LIC/N/3/EU/9	2020	16.09.2020
HONG KONG, CHINA	G/LIC/N/3/HKG/23	2019	08.10.2019
INDIA	G/LIC/N/3/IND/19	2019	04.11.2019
INDONESIA	G/LIC/N/3/IDN/11	2019	28.02.2020
JAPAN	G/LIC/N/3/JPN/18	2019	09.10.2019
KAZAKHSTAN	G/LIC/N/3/KAZ/4	2019	20.11.2019
KOREA, REPUBLIC OF MACAO, CHINA	G/LIC/N/3/KOR/12 G/LIC/N/3/MAC/22/Corr.1G/LI C/N/3/MAC/23	2019 2020	20.12.2019 17.10.2019 15.07.2020
MALAYSIA	G/LIC/N/3/MYS/14 G/LIC/N/3/MYS/14/Corr.1	2018-2019	08.04.2020 24.04.2020
MAURITIUS	G/LIC/N/3/MUS/9 G/LIC/N/3/MUS/10	2019 2020	20.02.2020 23.09.2020
MONTENEGRO	G/LIC/N/3/MNE/4	2020	08.07.2020
NEW ZEALAND	G/LIC/N/3/NZL/6	2019	01.11.2019
PANAMA	G/LIC/N/3/PAN/11	2020	22.06.2020
PHILIPPINES	G/LIC/N/3/PHL/13	2020	16.09.2020
RUSSIAN FEDERATION	G/LIC/N/3/RUS/5	2019	09.10.2019
SEYCHELLES	G/LIC/N/3/SYC/3	2020	18.09.2020
SINGAPORE	G/LIC/N/3/SGP/15	2019	24.04.2020
SOUTH AFRICA	G/LIC/N/3/ZAF/8	2019	04.11.2019
SWITZERLAND- LIECHTENSTEIN	G/LIC/N/3/CHE/15 G/LIC/N/3/CHE/16	2019 2020	08.10.2019 29.09.2020
CHINESE TAIPEI	G/LIC/N/3/TPKM/10	2019	01.11.2019
TURKEY UKRAINE	G/LIC/N/3/TUR/16 G/LIC/N/3/UKR/12	2019 2019	26.03.2020 02.10.2019
UNITED STATES	G/LIC/N/3/USA/16	2019	28.01.2020
URUGUAY	G/LIC/N/3/URY/13 G/LIC/N/3/URY/14	2019 2020	17.10.2019 22.07.2020

 $^{^{3}}$ New notifications have been received from [...], which will be reviewed at the Committee's next formal meeting.