



30 April 2018

(18-2695)

Page: 1/3

Committee on Import Licensing

Original: Spanish

## IMPORT LICENSING SYSTEM OF ARGENTINA

### REPLIES TO QUESTIONS FROM THE EUROPEAN UNION TO ARGENTINA

The following communication, dated 20 April 2018, is being circulated at the request of the delegation of Argentina.

---

***EU question No. 1: Could Argentina submit detailed information about the products subject to automatic import licensing procedures as well as the ones subject to non-automatic import licensing procedures?***

First, it should be noted that notification G/LIC/N/3/ARG/13 was made under Article 7.3 of the Agreement on Import Licensing Procedures, which refers to the *annual questionnaire* to be completed by countries with respect to the procedures they apply in that regard. Argentina considers that it has responded to all the questions in accordance with the model established for said questionnaire, without leaving out any reply.

Second, notification G/LIC/N/2/ARG/28 does not indicate, as the EU states, that the Argentine Republic has "substantially changed its import licensing procedures in place". It serves to notify Secretariat for Trade Resolution No. 523/2017, which does not change the licensing procedures but brings the information on those procedures together in a single rule, while at the same time providing an updated single list of the universe of products covered.

Secretariat for Trade Resolution No. 170/2018 (in the process of notification to the WTO) replaces the annexes to Secretariat for Trade Resolution No. 523/2017 and the amendments thereto containing the list of products subject to automatic and non-automatic import licensing.

***EU question No. 2: Could also Argentina submit a table listing all products subject to import licensing procedures and clearly indicating how the amendments introduced by Resolution No. 523/2017 have affected each product?***

The main change made through Resolution No. 523/2017 was the switching of 16 tariff headings that had been subject to non-automatic import licensing to automatic import licensing, and of one tariff heading from automatic to non-automatic import licensing.

In addition, pursuant to Secretariat for Trade Resolution Nos 898/2017, E-5/2018 and 170/2018, a total of 490 tariff headings<sup>1</sup> ceased to be subject to non-automatic import licensing and are now subject to automatic licensing.

Together with Resolution No. 523/2017, this makes a total of 506 tariff headings removed from the universe of headings subject to non-automatic import licensing.

Accordingly, by virtue of the texts referred to and in order to clarify the status of each product, it may be concluded that **all products are subject to automatic import licensing with the exception of the tariff headings shown in the list that is attached as a separate file to these replies, which are subject to non-automatic import licensing** (constituting a total of

---

<sup>1</sup> Resolution No. 898/2017 removed a total of 19, Resolution No. E-5/2018 a total of 313 and Resolution No. 170/2018 a total of 158 tariff headings from the universe of non-automatic licensing.

1,194 tariff headings at the eight-digit level in the MERCOSUR Common Nomenclature (NCM), representing 12% of the total of 10,226 tariff headings).

***EU question No. 3: Could Argentina give further details clarifying what other options have been considered and the reasons for not having being considered appropriate?***

On the one hand, the automatic import licensing system is seen as constituting the most suitable alternative for obtaining statistical information in a short space of time, enabling the authorities to conduct a rapid analysis.

In the case of non-automatic import licences, their implementation enables the proper management of the inter-agency coordination mechanisms and exchanges of information that are needed in order to verify compliance with the requirements laid down for the marketing of certain goods (both local and imported) on Argentine territory – something that is not possible with automatic licences.

It is to be noted that the purpose of this system adopted by Argentina is to provide a control and monitoring mechanism that is considered appropriate in the context of the circumstances in which it has had to be applied, within the framework of implementation of the conclusions and recommendations of the WTO Dispute Settlement Body in the dispute "*Argentina – Measures Affecting the Importation of Goods*" (DS438-444-445). Our country has taken, and will continue to take, every precaution to ensure that the operation of said system does not result in any departure from Argentina's commitments under the WTO rules.

***EU question No. 4: The EU understands that for these goods there is no longer the need to establish an appropriate prior verification system for ensuring compliance with the conditions governing the importation of goods. Could Argentina give further details clarifying what were the considerations that led to such a conclusion and the decision to eliminate the non-automatic licences for these particular products?***

One of the objectives of the economic policy that the Argentine Government has been implementing since 10 December 2015 is the establishment of a transparent and predictable foreign trade system in the interests of facilitating all business operations associated with international trade.

In the Argentine Republic, therefore, all trade policy instruments implemented by the Government, including those relating to the import licensing system, are constantly being reviewed in order to adapt them to and keep them consistent with that objective.

In this context, the elimination of tariff headings in the universe covered by non-automatic import licences responds to considerations that have to do with the ongoing process of analysing foreign trade and the changing circumstances.

***EU question No. 5: Could also Argentina clarify whether the new rules will be notified?***

The Argentine Republic has fully complied with its obligations pertaining to the notification of import licences. In this regard, the rules whereby changes were made to the universe of tariff headings covered by import licences have been duly notified to the Committee on Import Licensing.

The notifications in question are as follows:

- G/LIC/N/2/ARG/27, of 10 March 2016.
- G/LIC/N/2/ARG/27/Add.1, of 12 May 2016.
- G/LIC/N/2/ARG/27/Add.2, of 8 August 2016.
- G/LIC/N/2/ARG/27/Add.3, of 23 September 2016.
- G/LIC/N/2/ARG/27/Add.4, of 8 November 2016.
- G/LIC/N/2/ARG/27/Add.5, of 20 December 2016.
- G/LIC/N/2/ARG/27/Add.6, of 30 March 2017.
- G/LIC/N/2/ARG/28, of 26 September 2017.
- G/LIC/N/2/ARG/28/Add.1, of 8 December 2017.
- G/LIC/N/2/ARG/28/Add.2, of 22 January 2018.
- G/LIC/N/2/ARG/28/Add.1/Corr.1, of 1 February 2018.

**EU question No. 6: Could Argentina give further information on this issue, clarifying in particular whether the information is correct?**

The information source to which the European Union refers is a press medium and not an official source.

In this regard, it should be noted that the identification of products that are subject to technical regulations or the implementation thereof responds to objectives that have to do with consumer safety, health and the environment and which are duly justified under the relevant WTO provisions, thus having no pre-established schedule.

Taking the foregoing into account, Argentina will inform Members of any change to the licensing regime, or of the adoption of technical regulations, through notifications in the corresponding WTO committees.

**EU question No. 7: Could Argentina clarify what products will be affected by those technical regulations?**

Please see the reply to question No. 6.

**EU question No. 8: Could also Argentina submit some indications on the timing expected for the introduction of the technical regulations?**

Please see the reply to question No. 6.

---