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Committee on Import Licensing

Original: English

QUESTIONS FROM THE EUROPEAN UNION TO BRAZIL

The following communication, dated 16 November 2016, is being circulated at the request of the delegation of the European Union.

Following Brazil's request, the EU would like to submit in writing the questions raised during the last meeting of the Import Licensing Committee.

1. Reference is done to the notifications submitted by Brazil and circulated as document G/LIC/N/1/BRA/7+ G/LIC/N/1/BRA/7/corr.1 (in accordance to Art. 1.4 and 8.2 of the ILA) and as document G/LIC/N/2/BRA/7 (in accordance to Art. 5 of the ILA).

In the EU's understanding, the notifications submitted by Brazil do not refer to a specific product or to any specific changes in the import licensing procedures of one or more products. The notifications rather refer to the general import procedures system in place. Therefore:

- Could Brazil clarify how to read those notifications?
- Could Brazil clarify what are the new import licensing schemes and/or the amendments to existing import licensing procedures that have been notified?

2. Reference is done to the annual notification submitted by Brazil in accordance with Art. 7.3 of the ILA and circulated as document G/LIC/N/3/BRA/11.

In the EU's view, this notification does not comply with the requirements set in the questionnaire and contained in document G/LIC/3 (annex).

According to the current notification's rules, the annual notification should give a brief presentation of *each system* as a whole and, with respect to each import procedure system, Members should reply to the questions as relevant.

Brazil has limited itself to refer to its SISCOMEX without presenting a detailed description of the import procedures for each product. Furthermore, it seems that the SISCOMEX online procedures are not yet fully operational (see reply to point 6.d).

Therefore, the EU would like to receive the following clarifications:

- Could Brazil provide a complete description of the procedures in place, for each single product subject to import licensing requirements?
- Could Brazil provide the list of tariff lines clearly indicating whether an automatic or a non-automatic import license procedure is applicable?
- According to the information available, it seems that an import licence would be necessary for the importation of the products corresponding to more than 5,000 tariff lines. In this respect:
 - Could Brazil clarify whether this information is correct?

- Could Brazil clarify the reasons for such extensive use of import licenses?
- Could Brazil explain how this could be justified taking also into account that in its annual notification Brazil declares that, *as a rule*, the Brazilian import regime does not require licensing?
- Could Brazil clarify when the new SISCOMEX single window will be fully operational as regards import licenses?

Additionally, as the products are not clearly defined, the EU would reiterate its concerns on the procedures in place for the importation of nitrocellulose and would like to ask Brazil further clarifications.

In particular, the EU notes that Brazil's notification includes the reference to the ministry of industry where a table is provided for import procedures (<http://www.mdic.gov.br/comercio-exterior/importacao/tratamento-administrativo-de-importacao>). According to that table, it seems that the importation of nitrocellulose is subject to an automatic import licence.

- Could Brazil clarify whether the importation of products under NCM 3912.20 (nitratos de cellulose/ nitrocellulose) are subject to automatic import licences, as stated in the notification, or to non-automatic import licenses, as declared during the meeting?
 - In case non-automatic import licenses are required, does Brazil envisage amending its notification? Could Brazil submit detailed information on the procedures for the importation of these products?
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