



28 January 2014

(14-0440)

Page: 1/2

Committee on Import Licensing

Original: English

**ADDITIONAL QUESTIONS FROM THE UNITED STATES TO ECUADOR CONCERNING  
RESOLUTIONS 102 OF THE FOREIGN TRADE COUNCIL (COMEX)  
AND 299-A OF THE MINISTRY OF AGRICULTURE, LIVESTOCK,  
AQUACULTURE AND FISHERIES (MAGAP)**

**QUESTIONS FROM CANADA AND THE UNITED STATES TO ECUADOR'S REPLIES**

The following notification, dated 18 January 2014, is being circulated at the request of the delegations of Canada and the United States.

---

Canada and the United States thank the government of Ecuador for its response to the United States' questions contained in G/LIC/Q/ECU/3. However, Ecuador's replies contained in G/LIC/Q/ECU/4 fail to address our concerns sufficiently. We respectfully request that Ecuador provide full and complete answers to the following questions:

1. The United States asked Ecuador promptly to publish any measures (including Resolutions No. 102 and 299-A) or changes in measures in accordance with Article 1.4 of the Import Licensing Procedures Agreement so that governments and traders are able to become acquainted with them and provide comments on them prior to their implementation.

- Where are these measures published? Please provide the direct web links to these measures if available.

2. The United States asked Ecuador to notify its measures or any changes to them to the Secretariat in accordance with Articles 1.4 and 5 of the Import Licensing Procedures Agreement.

- When will Ecuador notify its measures to the Secretariat?
- When will Ecuador provide copies of these regulations to the Secretariat?

3. In light of Articles 3.2 and 5.2(g) of the Import Licensing Procedures Agreement, Canada and the United States request a full and complete response to each of the following questions:

- What are the precise administrative procedures that these Resolutions require? Please describe the procedures in detail. Where are these procedures published?
- What measure or measures are the non-automatic licensing procedures in Resolutions 102 and 299-A intended to administer via Resolutions 102 and 299-A?
- How are the measures being administered by these Resolutions consistent with the GATT 1994.

4. Article 1 of Resolution 299-A appears to subject all importers — without exception — to the non-automatic licensing regime. The Resolution provides for the licensing regime to be based on whether such imports will "complement" national production's ability to satisfy internal domestic demand. Furthermore, Article 3 appears to require MAGAP to undertake a "technical analysis" in determining the volume of products that Ecuador will permit to be imported, and provide that such analysis will be based on (among other factors) an importer's purchase of domestic products, domestic production, domestic demand and consumption. Ecuador states that "The non-automatic import licensing procedure described in MAGAP Resolution 299-A is based on Article 3 of the

Agreement on Import Licensing Procedures. The technical factors considered in preparing the technical reports for the administration of non-automatic licenses are defined in Resolution 299-A and are geared to the analysis of food balances for products covered by the regime, on the basis of a transparent, predictable and non-discriminatory review."

- It appears that Resolution 299-A could itself operate to restrict imports. Please explain the use of such an import restriction in light of the GATT 1994, in particular, Article XI.
- What is the precise methodology that Ecuador uses for "the analysis of food balances for products covered by the regime"?
- Are the analyses and underlying methodology subject to public comment? Where are they published?
- Please cite the GATT 1994 Article or Articles which allow for "the analysis of food balances for products covered by the regime" for purposes of non-automatic licensing of imports?
- Please describe in detail how import licenses are allocated, how many institutions must approve each license before it is issued, and how long it takes for a license to be issued in light of Ecuador's "technical analysis".
- As a result of the new resolutions, including the technical analysis and the domestic stakeholders' decision-making process, what percentage of total requests for import licenses does Ecuador expect to issue in a year in comparison to previous years and Ecuador's past practice.

5. In its response to Question 14, Ecuador states that "...there are times when factors external to national production which have an influence on quality of products, such as enormous amounts of domestic support for production and export subsidies, make it necessary to count imports outside national harvest periods for these producers, in the case of products whose output is highly seasonal on account of seasonal cycles; and this situation is also reflected in a food security concern...".

Please clarify what Ecuador means by this statement.

6. Please explain whether and how imports from the Andean Community are considered in the "technical analysis" under Article 3 of Resolution 299-A.

---