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**Committee on Import Licensing**

Original: English

## IMPORT LICENSING SYSTEM OF EGYPT

### ADDITIONAL QUESTIONS FROM THE EUROPEAN UNION TO EGYPT

The following communication, dated 3 May 2021, is being circulated at the request of the delegation of the European Union.

The EU thanks Egypt for the replies (G/LIC/Q/EGY/6) to its questions (G/LIC/Q/EGY/5). However, we would like to request further clarifications and answers to follow-up and additional questions on the laws on certain agricultural and processed products adopted by Egypt.

#### **EU follow-up and additional questions**

EU question No 1: Could Egypt submit the following information on import licensing of ducklings and canned meat under Prime Minister's Decree No. 2080/2018 and Prime Minister's Decision No. 222/2018:

- a. Egypt confirmed that the two acts would form part of the regulations to be notified to the Import Licensing Committee. Can Egypt provide an indication as to when this notification will take place?
- b. As regards the implementation of the measures, will Egypt increase the frequency of the committee meetings? According to Egypt's information, meetings of the committees are usually held every three months and/or according to need. However, the dates listed for 2020 suggest that both committees met only twice a year, which does not coincide with the indicated frequency and is problematic in view of the fact that the import licences only have a validity of three months.
- c. Could Egypt make the dates of the meetings available in advance? The lack of a predictable agenda affects the import planning and economic certainty of importers.
- d. Could Egypt introduce an appeal mechanism?
- e. Could Egypt introduce a system of informing companies in writing on the approval or rejection of their requests?
- f. EU companies reported significant delays in granting import permits, which make the exports economically not viable due to the high seasonality of the affected products (e.g. ducklings are usually exported for specific festivities). Moreover, certain EU Member States informed us several times that their requests to import ducklings had not been approved. Could Egypt share with the EU information on ducklings' shipments from the EU that were: (a) approved; (b) not approved; and (c) delayed, with indication of the respective dates of these requests and of their approvals?
- g. Egypt stated that one of the criteria used to issue licences was the animal health situation of the exporting country. Can Egypt elaborate on this criterion? In particular, the EU would be interested to know which animal diseases are considered and how the presence or absence of the disease in the exporting country affect the decision to issue or not a licence. Are these conditions also part of the veterinary certificate requested by Egyptian authorities?

EU question No 2: Could Egypt submit the following information justifying the import restrictions applied to sugar under Decree Nos. 259/2020, 420/2020, 606/2020 and 117/2021):

- a. Egypt justified this measure with the need to regulate its national sugar market. Could Egypt present an update on its national sugar market situation today? (in particular regarding the temporary surplus in sugar imports that was mentioned by Egypt at the time the measure was first introduced).
- b. Could Egypt please explain how the "import approval" for raw and white sugar imports is implemented and administered in practice? What are the rules and procedures for the submission of applications? To whom (contact point) should the applications be submitted and who are the actors in the approval application process that review the applications?
- c. Could Egypt inform the EU where to find information on the measures and the various steps of the application procedure? Is the eligibility of the applicants defined and known to economic operators? If not, what are the criteria that importers have to fulfil to have their import approved?
- d. Could Egypt provide information on the deadlines within which the "import approvals" are issued?
- e. Are there any fees charged for the "import approval" or any other formalities required?
- f. Could Egypt please present an overview on how many import approval requests have been lodged, how many requests have been granted since the introduction of the measures as well as distribution of such licences among applying countries?
- g. Could Egypt share import statistics (i.e. value and volume) on imports of respectively the raw and white sugar for the years 2018-2020?
- h. The EU is of the view that the import restrictions violate Article XI of the GATT 1994 (elimination of quantitative restrictions). Therefore, could Egypt give assurances to the EU that the measures will be abolished without delay?

EU question No 3: Could Egypt submit the following information on seed potato import mechanism (SPS notification EGY/119):

- a. Why has this import mechanism not been notified in accordance with Articles 1.4 and 5 of the Import Licensing Agreement?
  - b. Can Egypt explain why this new system is deemed necessary? Why does Egypt not seem to be ready to trust the inspection and certification by the National Plant Protection Organisation of the EU Member States carried out in accordance with the International Plant Protection Organisation and its relevant international standards for phytosanitary measures?
  - c. Could Egypt explain why the date of submission of import applications (with detailed information on quantity to be imported, the origin, the varieties, grower numbers, the expected date of arrival of the first and last shipment) has been advanced from September to April/May? At that time of the year, many of the requested details are not yet known since the potatoes have only been planted.
  - d. Could Egypt explain how binding the information provided in the import applications will be, since much of it will have to be based on estimates (see question above)?
  - e. Could Egypt explain how charging a fixed amount per ton of seed potatoes to be imported in order to finance the field inspections is different from imposing a customs duty?
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