

G/LIC/Q/UKR/2

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Page: 1/2

Committee on Import Licensing

IMPORT LICENSING SYSTEM OF UKRAINE

REPLIES BY UKRAINE TO THE QUESTIONS FROM THE EUROPEAN UNION AND THE UNITED STATES TO UKRAINE

The following communication, dated 29 April 2013, is being circulated at the request of the delegation of Ukraine.

<u>Question</u>: What is the exact status of "CABINET OF MINISTERS OF UKRAINE RESOLUTION of 13 March 2013 N $^{\circ}$ 225"? Is it a draft or is it final? Can you tell us when this measure will be implemented?

<u>Reply</u>: The Resolution of the Cabinet of Ministers of Ukraine as Nº 225 "On amendments to the Resolution of the Cabinet of Ministers of Ukraine Nº 1201 of 19 December 2012" was adopted on 13 March 2013 and published in the official newspaper "Uriadoviy Curier" as of 6 April 2013 Nº65.

The resolution is coming into force from 27 April 2013 (21 day after publication).

<u>Question</u>: When does the government of Ukraine plan to notify this resolution to the Import Licensing Committee and provide the Secretariat with a copy of the Resolution in accordance with Articles 1.4 and/or 8.2 and Article 5 of the Import Licensing Procedures Agreement?

<u>Reply</u>: Ukraine submitted the notification under Articles 5 and 8.2 (b) of the Agreement on Import Licensing Procedures on 12 April 2013 with Ukrainian Copy of the Resolution attached^{*} (document G/LIC/N/2/UKR/3 circulated by the Secretariat on 18 April 2013).

Notification under Article 1.4 of the Agreement on Import Licensing Procedures will be submitted soon. Unofficial English translation of the Resolution is available upon request at EP&NA of Ukraine: ep@me.gov.ua, tel/fax (+38044) 596 68 39.

<u>Question</u>: Please explain how Ukraine justifies these licensing requirements and quotas, including a quota of "0" tons for metallurgical coke.

<u>Reply</u>: The objective of the measure is to improve forecasting of imports of coking coal and ensure efficient planning of mining.

Import of coking coal grew significantly – in 2012 it made 13 million tons which considerably exceeds indicators of 2009, 2010 and 2011.

Introduction of licensing procedure for coking coal is also necessitated by the aggravated ecological and social situation in the mining regions of Ukraine, caused by considerable accumulation and storage of domestically produced coking coal (in addition to the accumulation of more than 2,3 million tons of energy coal as of end of March 2013). As of 1 January 2013 the balance in stock of coke was 312 thousand tons, but as of 1 April 2013 - 452 thousand tons was registered, so during January – March it grew by 140 thousand tons. Self-inflammation cases have already been registered in the mining regions.

^{*} Available for consultation (Market Access Division).

The danger of self-inflammation of the overfull storages causes growing concerns and demands action to be taken in the area of industrial and ecological safety to protect health, life and social wellbeing in the regions.

The issue must be addressed immediately, which is why in order to prevent from new emergencies, to keep the situation under control and improve safety, alleviate social tensions the Government is introducing this temporary measure under Article XX of GATT-94.

The measure is non-discriminatory and will be applied in line with Article XIII of GATT-94. Quota allocation for tariff lines indicated in Annex 8 will be done by special interdepartmental commission, which is to be established by a separate resolution of the Cabinet of Ministers. The resolution is been drafted, its adoption by the Government is expected shortly.

<u>Question</u>: On what date will the resolution expire?

<u>Reply</u>: The duration of import licensing – from 27 April 2013 (21 day after publication) till 31 December 2013 (including this date).

<u>Question</u>: We cannot find Ukraine's notification of "Changes" made to the "Cabinet of Ministers of Ukraine of 19 December 2012 Nº 1201." When will Ukraine notify the "Changes" and "Annex 8" as well as the administrative procedures for obtaining licenses for the products named in Annex 8?

<u>Reply</u>: Mentioned "Changes" and "Annex 8" are actually the Resolution of the Cabinet of Ministers of Ukraine as of 13 March 2013 N^o 225 "On amendments to the Resolution of the Cabinet of Ministers of Ukraine N^o 1201 of 19 December 2012" and it was notified already under the Articles 5 and 8.2 (b) of the Agreement.

The Procedure for issuing import licenses for products mentioned Annex 8 is specified in the Order of the Ministry of Economy of 14 September 2007 N^o 302 "On approval of the regulatory – legal acts concerning licensing of imports of goods and amendments to the Procedure for the processing of applications for issuance of licenses in the sphere of non-tariff regulation of foreign economic activities in the Ministry of Economic Development and Trade of Ukraine" (mentioned in document G/LIC/N/3/UKR/3 of 10 December 2010, with amendments; text available in Ukrainian at: http://zakon4.rada.gov.ua/laws/show/z1100-07).
