OUTLINE OF SYSTEM

1. Cyprus operates a most liberal import licensing system. The importation of all goods into Cyprus other than those listed in a schedule to the relevant legislation is not subject to an import licence. With the exception of a few items which require an import licence, for local industry/production considerations, the importation of all other goods into Cyprus is free from all countries which operate a multilateral system of trade and payments. Most of the controlled goods are normally freely licensed, some are subject to a quota and others are prohibited for various reasons. The main goods which require a specific import licence are food, live animals, beverages, tobacco, petroleum products, vegetable oils, clothing, footwear, cement and industrial machinery, plant and equipment. All imports from Eastern European countries, with which Cyprus maintains Trade and Payments Agreements of a clearing type, require an import licence.

PURPOSES AND COVERAGE OF THE LICENSING

2. The licensing system maintained is as follows:

A. Freely admitted
B. Freely licensed by the issue of a specific import licence
C. Licensed according to past performance (previous similar imports)
D. Freely licensed from Eastern European countries if they are included in the list of goods attached to the relative Trade and Payments Agreement
E. Prohibited goods
F. Individual barter transactions with countries with which no other trading arrangements exist e.g. China (Mainland).

3. The above-mentioned system applies without any discrimination to all countries except South Africa and Rhodesia, in respect of which Cyprus is at present imposing sanctions in accordance with the relevant United Nations Resolutions.
4. The licensing, with the exception of very few items, is not intended to restrict the quantity or value of imports but is a means of regulating imports. For the few items involved, the licensing aims at the protection of local agriculture or industry. The Customs Tariff has in some instances been resorted to with a view to achieving this purpose.

5. The licensing is maintained under the Imports (Regulation) Law and Orders issued thereunder (see Annex1). The licensing is statutorily required. The legislation leaves designation of products to be subjected to licensing to the Minister of Commerce and Industry by the issue of an Order published in the Government Gazette. By virtue of legislative power it is possible for the Minister of Commerce and Industry to abolish the licensing system through the issue of an Order published in the Government Gazette.

**Procedures**

6. All goods subject to a specific import licence are listed in the schedule attached to the relative Order issued by the Minister of Commerce and Industry and published in the Government Gazette.

   (a) In the case of prohibited, seasonal or quota imports, which are included in the schedule mentioned above, a press notice is issued by the Ministry of Commerce and Industry inviting applications in this respect.

   (b) The size of the quota is determined after due consideration is given to past performance of applicants in the commodity concerned.

   (c) Licences are not allotted for certain goods partly or only to producers of like goods.

   No steps are taken to ensure that licences allocated are actually utilized.

   Unused allocations are not added to quotas for a succeeding period.

   The names of importers, to whom licences have been allocated, are not made known to governments and export promotion bodies of exporting countries upon request.

   (d) From the time of announcing the opening of quotas a reasonable period is allowed for the submission of applications for licences.

   (e) The minimum and maximum lengths of time for processing applications are one and thirty days respectively.

   (f) A sufficiently reasonable time remains for the goods to be ordered and shipped and to arrive.

   (g) Applications are considered by officers of the Ministry of Commerce and Industry, duly authorized in this respect by the Minister of Commerce and Industry. Import licensing, however, is administered without prejudice to the requirements of any other law in force for the time being and relating to the importation of goods e.g. medical, veterinary, phytopathological etc.

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1 The Annex is not reproduced in this document but is available for consultation in the secretariat.
(h) If the demand for licences cannot be fully satisfied then the allocation to applicants is made on the basis of past performance on a percentage basis. There is no maximum amount that may be allocated per applicant. A small percentage is reserved for new importers. Applications are usually examined on receipt but sometimes they may be examined simultaneously.

(i) Import licences are required in the case of bilateral quotas or export restraint arrangements. Licences are not issued automatically.

(j) Not applicable to Cyprus.

(k) In the case of products, the trade of which is regulated by international agreements to which Cyprus is a signatory and which are declared as being in transit, import licences are issued on condition that the goods involved should be exported and not sold in the domestic market.

7. Where there is no quantitative limit on importation of a product or on imports from a particular country:

(a) An application for a licence must be made by the importer concerned before commitment. In the case of goods imported bona fide by a person arriving in Cyprus, provided such goods are freely declared to the customs authorities and an import licence is secured in the meantime then these goods may be cleared from customs.

(b) In really exceptional and bona fide cases a licence may be granted with the minimum of delay.

(c) For seasonal or regulated imports there are limitations as to the period of the year during which applications for a licence and/or importation may be made.

(d) Applications are considered by officers of the Ministry of Commerce and Industry, duly authorized by the Minister of Commerce and Industry.

8. An application for a licence may be refused if it appears necessary in the public interest to restrict and regulate the importation of the goods involved for the purpose of encouraging local production and manufacture or improving the balance of trade and/or payments or complying with international obligations or for the development of the economy of Cyprus.

The reasons for any refusal are given to the applicant (see Annex¹). Applicants have a right of appeal to the Supreme Court.

¹The Annex is not reproduced in this document but is available for consultation in the secretariat.
Eligibility of importers to apply for licence

9. All permanent residents of Cyprus carrying on business in the Republic, any body corporate or incorporate carrying on business in the Republic and being a member of the Chamber of Commerce and Industry and having a registered place of business in the Republic.

There is no system of registration of persons or firms permitted to engage in importation.

There is no registration fee.

There is no published list of authorized importers.

Documentational and other requirements for application for licence

10. Name and address of importer
    Commodity to be imported
    Quantity
    Value
    Proof of offer
    Method of payment
    Country of origin
    Country of shipment
    Date of arrival in Cyprus
    Date of application
    Signature of applicant (see Annex1).

11. Upon importation the usual documents are required, e.g. invoice, bill of lading, insurance policy, certificate of origin. In certain cases the relative permits from other Government departments may also be required, e.g. medical, veterinary, phytopathological, etc.

12. There is no licensing fee or administrative charge.

13. There is no deposit or advance payment requirement, associated with the issue of licences.

Conditions of licensing

14. For non-seasonal goods a licence is normally valid for four months but it may be extended for longer periods if justified. For machinery, plant and equipment a licence is valid for longer periods, depending on various circumstances.

15. There is no penalty for the non-utilization of a licence or a portion of a licence.

16. Licences are not transferable between importers.

17. All imports should be in conformity with the requirements of other legislation in force for the time being and relating to the importation of goods or other relevant conditions which may be imposed by the licensing authority or stated in any other permit.

1 The Annex is not reproduced in this document but is available for consultation in the secretariat.
Other procedural requirements

18. There are no other administrative procedures, apart from import licensing and similar administrative procedures, required prior to importation.

19. An import licence automatically entitles an importer to the foreign currency required for the payment of the import. By means of Notices to Banks issued by the Central Bank of Cyprus from time to time foreign currency is available for payment of imports.
ANNEX

THE IMPORTS (REGULATION) LAW
(LAWS 49 OF 1962 AND 7 OF 1967)

REGULATIONS UNDER SECTION II

In exercise of the powers vested in it under section 11 of the Imports (Regulation) Law, the Council of Ministers hereby makes the following Regulations:

1. These Regulations may be cited as the Imports (Regulation) (Licences) Regulations, 1967.

2. In these Regulations, unless the context otherwise requires—
   "importer" has the meaning assigned to such expression by the Imports (Regulation) (Control and Regulation of Goods) Order, 1967;
   "Minister" means the Minister of Commerce and Industry;
   "Ministry" means the Ministry of Commerce and Industry.

3.—(1) Any application by an importer for a licence to import goods shall be submitted to the Ministry in duplicate on Part I of the form set out in the First Schedule to these Regulations.
   (2) Such application must be duly filled in in respect of all particulars therein and be accompanied by the documents referred to therein.

4. The grant subject to any conditions, or the refusal, of a licence by the Minister shall be notified to the importer on Part II of the form set out in the First Schedule to these Regulations.

5. Any cancellation, suspension or variation of an import licence or of the conditions subject to which it has been issued shall be notified to the importer on the form set out in the Second Schedule to these Regulations.

6.—(1) Any application by an importer for a duplicate import licence where the original is lost or destroyed shall be submitted to the Ministry in duplicate on Part I of the form set out in the Third Schedule to these Regulations.
   (2) Any duplicate import licence shall be issued on Part II of the form set out in the Third Schedule to these Regulations.

7. These Regulations shall come into operation on the 15th day of May, 1967.
FIRST SCHEDULE

THE IMPORTS (REGULATION) (LICENCES) REGULATIONS, 1967

PART I.—APPLICATION FOR IMPORT LICENCE

(Regulation 3)

Name
Address
Nature of goods
Quantity
Value
Indication of offer

(Relative pro-forma invoice to be attached)

Method of payment:
(a) By the opening of credit.
(b) Cash against documents.
(c) By acceptance of usance drafts for (months)

Country of origin
Country of shipment
Date of arrival in Cyprus

(Signed)

Director/Secretary

Date

PART II.—LICENCE OR REFUSAL OF LICENCE

(Regulation 4)

(This document is not transferable)

THE IMPORTATION IS APPROVED till No.

NOT APPROVED

(Signed)

By authority of the Minister of Commerce and Industry

Date

CONDITIONS

1. Conditions of payment:
(a) Through a Bank to account and in accordance with the instructions of the Central Bank of Cyprus.
(b) In sterling "clearing" in accordance with the attached instructions to the Central Bank of Cyprus by your Bank.
(c) 

2. Validity for payment till

3. Other conditions

(In accordance with section 12 of the Law, nothing in this licence contained shall affect the provisions of the laws for the time being in force relating to the importation of goods).
SECOND SCHEDULE
THE IMPORTS (REGULATION) (LICENCES) REGULATIONS, 1967
CANCELLATION, SUSPENSION OR VARIATION OF IMPORT LICENCE
(Regulation 5)

This is to notify you that import licence No. ........................................................................ dated ........................................................................ and issued in your name for the importation of ........................................................................ (Quantity, description and value of goods) from ........................................................................ has been cancelled/suspended/varied ........................................................................ (Country of origin)

2. The reasons for the cancellation/suspension/variation are ........................................................................

3. You are hereby called upon to surrender to us, within 48 hours of ........................................................................, the said import licence No. ......................................................................../duplicate import licence issued on ........................................................................ for cancellation/suspension/ variation in accordance with the above.

You are hereby informed that failure to comply with the direction in paragraph 3 above will render you guilty of an offence punishable under paragraph (a) of sub-section (2) of section 8 of the Law.

(Signed)
By authority of the Minister of Commerce and Industry.

Date ........................................................................
Mr/Messrs ........................................................................

THIRD SCHEDULE
THE IMPORTS (REGULATION) (LICENCES) REGULATIONS, 1967
PART I.—APPLICATION FOR A DUPLICATE IMPORT LICENCE
(Regulation 6 (1).)

Name ........................................................................
Address ........................................................................
I/We the undersigned holder/holders of import licence No. ........................................................................ dated ........................................................................ in respect of the importation of ........................................................................ (Nature of goods) from ........................................................................ (Country of origin)

hereby declare that the said import licence has been lost/destroyed and I/we request that a duplicate be issued to me/us.
Payment in relation to this importation has been/will be made through

(Name of Bank)

by

(Indicate method)

(Signed)

Director/Secretary.

Date

PART II.—DUPLICATE IMPORT LICENCE

(Regulation 6 (2).)

(This document is not transferable)

APPROVED

THE IMPORTATION IS till No.

NOT APPROVED

(Signed)

By authority of the Minister of Commerce and Industry.

Date

CONDITIONS

1. Conditions of payment:

(a) Through a Bank to... account and in accordance with the instructions of the Central Bank of Cyprus.

(b) In sterling "clearing" in accordance with the attached instructions to the Central Bank of Cyprus by your Bank.

(c) 

2. Validity for payment till

3. Other conditions

(In accordance with section 12 of the Law, nothing in this licence contained shall affect the provisions of the laws for the time being in force relating to the importation of goods).

TO BE FILLED IN BY THE DEPARTMENT OF CUSTOMS

<table>
<thead>
<tr>
<th>Quantity and value of imported goods</th>
<th>Customs Entry No.</th>
<th>Initials of Customs Officer</th>
<th>Date</th>
</tr>
</thead>
<tbody>
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