1. A meeting of Group 4 - Licensing was held on 7 July 1971. The Group had before it replies by a number of countries to the questionnaire on licensing procedures which had been circulated to all contracting parties following the meeting of the Group on 16-17 March. In view of the bulk of the documentation, as well as the fact that governments had not had sufficient time to study the replies in detail, the Group considered that it should confine itself to discussing procedure for its future work.

2. It was noted that only twenty-seven replies had so far been received to the questionnaire. It was agreed that the secretariat should issue a letter of reminder to countries which had not yet responded to the questionnaire, including countries consulting in the Balance-of-Payments Committee.

3. In order to facilitate organization of the next meeting of the Group, it was agreed that delegations could submit questions through the secretariat, seeking clarification or additional information regarding the replies already received. As far as possible, these additional questions, as well as the replies thereto would be circulated to the Group before the next meeting.

4. The Group noted that the problem of whether the questionnaire should apply to agricultural as well as industrial products had been discussed in the Council on 21 April. It was recalled that the Council had agreed that contracting parties would reply to the questionnaire on all products, agricultural as well as industrial. Submissions should be made so that those relating to agricultural products could be transmitted to the Agriculture Committee permitting it to consider how best it could contribute to the work of the Working Group on Licensing. In accordance with this decision, the replies to the questionnaire were being automatically made available

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1 The questionnaire is reproduced in L/3515. The replies received to date are contained in COM.IND/W/55/Addenda 1-30.

2 It was agreed in the Committee on Trade in Industrial Products on 9 July 1971 that such additional questions could be submitted up to 15 September 1971.
to the Agriculture Committee, though it was noted that replies were not always presented in separate sections for industry and agriculture. Moreover, certain aspects of some licensing systems had general applicability for both agriculture and industry. Further discussion on this question was deferred.

5. It was recalled that one purpose of the questionnaire had been to provide a basis on which the Group could conduct a review of licensing procedures in various countries. Some delegations had hoped that in a country-by-country review of submissions, a number of cases might emerge where countries could agree to abandon or make appropriate modifications in their licensing systems, perhaps on a contingent basis. One delegation noted that the costs involved in maintaining a licensing system might be an added incentive for its elimination or simplification.

6. It was decided to hold a country-by-country review at the next meeting in the autumn. It was not considered necessary by certain members of the Group that the review should cover all countries which had responded to the questionnaire. Instead, members could notify the secretariat of the countries whose licensing systems they wished to have discussed at the meeting. Whether or not this review extended to countries consulting in the Balance-of-Payments Committee would be a matter for members of the Group in making their notifications. On receipt of such notifications, the secretariat could prepare a list of the countries whose licensing systems would be the subject of examination at the meeting.

7. The possibility was discussed of drawing a distinction in future work between automatic licensing on the one hand and licensing designed to implement quantitative restrictions on the other. Since the forthcoming review would be carried out on a country-by-country basis, it was not considered necessary to make a distinction at this stage between the two forms of licensing. The preliminary view of some delegations was that, in the search for solutions, priority should be given to automatic licensing. Other delegations considered that since the Group was examining licensing procedures as such, equal attention should be paid to both types of licensing.

8. It was noted that some delegations had earlier expressed the view that one solution to problems caused by licensing would be a code or guidelines with respect to licensing of all kinds. Some delegations suggested that the Group should, in due course, attempt to draft a code. It was suggested, in this connexion, that it would be useful if interested countries could, before the next meeting, consider whether this approach could be further developed. It was also considered that it might be necessary to consider different sets of rules for automatic licensing and restrictive licensing.

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As well as being issued as COM.IND/W/documents, all of the replies to the questionnaire bear a symbol relating to the Agriculture Committee - COM.AG/W/72 and addenda.
9. The question of grouping or classifying the replies according to some criteria was also discussed. Some delegations considered that it would facilitate the work of the Group if an analysis of the replies were prepared by the secretariat. Others considered that the replies, in so far as they related to automatic licensing should be examined against the criteria contained in paragraph 35 of the report of Working Group 4. Some delegations, while not opposed to an examination by the secretariat, doubted whether the time was now appropriate to commence such a study, having regard to the fact that a number of replies had yet to be received. It was agreed that this question would be discussed at the next meeting which will take place on 19-22 October.