Committee on Import Licensing

WORK PROGRAMME: FIRST STAGE

Note by the Secretariat

1. At its eleventh meeting (October 1984), The Committee on Import Licensing adopted procedures outlined by the Chairman regarding the first stage of its work programme concerning "simplification" of the Agreement. To assist the Committee in its attempt to reach a common understanding on the meaning of certain provisions formulated in vague terms, it was decided that the secretariat would examine notifications by signatories concerning existing legislative procedures on the first three points which had been set out in an earlier informal secretariat document, namely:

A. Publication: Articles 1.4, 3(e)
B. Public Notice: Article 3 (d)
C. Application Procedures: Article 1.6

and compile an inventory thereof. Delegations also were invited to communicate by 31 January 1985 their comments, observations and suggestions as to how to proceed concerning these points. The secretariat would also prepare a résumé of these submissions (LIC/M/11, paragraphs 29-30).

2. The following note is organized in two parts: part I is an inventory of existing legislative practices relevant to the vague language on which the Committee decided to focus in the points A, B and C referred to above. The inventory is based on the replies to the questionnaire on Import Licensing Procedures supplied by signatories to the Agreement. Since the October 1984 meeting, during which the Chairman reminded contracting parties of their obligation to notify annually by 30 September any changes in their import licensing system and invited those who had not done so recently to do so, (LIC/M/11, paragraph 4), eight signatories have updated their reply to the questionnaire on Import Licensing Procedures: all relevant information contained therein has been included in this note.

3. Part II of this note concerns the submissions by delegations relating to the work programme.

I. Inventory of Existing Legislative Procedures

4. Item 6(a) of the GATT Questionnaire on Import Licensing Procedures is generally applicable to the question of publication, and in fact covers items A and B of the Work Programme. In some cases, however, relevant information may be provided under other items of the questionnaire. For example, responses to question 6(d) provide in some cases specific information relating to article 3(e). Similarly, information about application procedures (Article 1.6) normally expected to be found in responses to question 6(d) may also be provided in responses to questions 6 (f) or 7(a). In this inventory, only information relevant to the vague language on which the Committee has decided to focus (see underlined phrases in points A, B and C below) has been included.
A. Publication

The text of the Agreement reads as follows:

Article 1.4: "The rules and all information concerning procedures for the submission of applications, including the eligibility of persons, firms and institutions to make such applications, and the lists of products subject to the licensing requirement shall be published promptly in such a manner as to enable governments and traders to become acquainted with them."

Article 3 (e): "where there is a specific opening date for the submission of licensing applications, the rules and product lists referred to in paragraph 4 of Article 1 shall be published as far in advance as possible of such date, or immediately after the announcement of the quota or other measure involving an import licensing requirement."

Information relevant to the meaning of "promptly", "as far in advance as possible" and "immediately after" has been provided as follows:

Australia: Article 1.4: The quantity of motor vehicles less than five years of age to be admitted each year is to be publicised.

Canada:

I. Explosives Act: explosives: Articles 1.4 and 3(e): NA.¹

II. Plant Quarantine Act: plants and plant products: Articles 1.4 and 3(e): NA.

III. Animal Disease and Protection Act: live animals, animal products, birds and veterinary biologies: Articles 1.4 and 3(e): NA.

IV. National Energy Board Act:

Section A: natural gas and ethane: Articles 1.4 and 3(e): NA.

V. Export and Import Permits Act:

(1) Clothing and Handbags: Article 1.4: NA.

(2) Textiles: Article 1.4: NA.

(3) Sugar and Coffee: Articles 1.4 and 3(e): NA.

¹ The abbreviation NA means "not applicable" and appears only when this is given as a response in the reply to the Questionnaire on Import Licensing Procedures.
Chile: Articles 1.4 and 3(e): NA.

Czechoslovakia: Articles 1.4 and 3(e): NA.

European Economic Community and Member States:

European Economic Community: Articles 1.4 and 3(e): Member States must publish officially the products which may be imported and the authorization procedures not later than three weeks after Community quotas have been allocated.

For agriculture: Articles 1.4 and 3(e): NA.

Member States:

Denmark: Article 1.4: When the need arises - about 10 times per year.

Ireland: Article 1.4: Information regarding annual quota period orders is published in the "Iris Oifigiul" (Official Gazette) and national daily newspapers.

Italy: Articles 1.4 and 3(e): Information concerning quota allocation is published in, inter alia, the weekly bulletin of the National External Trade Institute (ICE).

United Kingdom: Articles 1.4 and 3(e): Information about quota allocation and formalities for applying for licences is announced, inter alia, by notices to importers in the weekly journal "British Business".

Hungary: Articles 1.4 and 3(e): The dollar value of the (consumer goods) quota is published annually.

India: Articles 1.4 and 3(e): Detailed policy and procedures for making applications are announced at the beginning of each financial year in The Import and Export Policy, Volume I.

New Zealand: Article 1.4 and 3(e): Information concerning licence allocations and application formalities are in the annual Import Licensing Schedule and Import Licensing Policy Schedule. Information on licences under tendering procedures is published before tenders are called.

Norway: Article 1.4: For industrial Products: formalities of filing applications for licences are laid down in a bulletin distributed to all importers when needed.

Philippines: Article 1.4: All regulations are published in The Official Gazette and/or in the nation's newspapers.

United States:

(1) Department of Agriculture: plant and plant products: Articles 1.4 and 3(e): NA.
(2) Department of Agriculture: animals and animal products: Articles 1.4 and 3(e): NA.

(3) Department of Energy: natural gas: Articles 1.4 and 3(e): NA.

(4) Department of Interior: fish and wildlife: (including endangered species): Articles 1.4 and 3(e): NA.

(5) Department of Justice: controlled substances: Articles 1.4 and 3(e): Annual notice of publication of aggregate production quotas for all Schedule I and II Controlled Substances published in Federal Register about July 1 of year prior to which quota applies. Additional notices of regulations are published at unspecified time.

(6) Department of the Treasury - Bureau of Alcohol, Tobacco and Firearms: distilled spirits (beverages); wine and malt beverages: Articles 1.4 and 3(e): NA.

(7) U.S. Nuclear Regulatory Commission: nuclear facilities and materials: Articles 1.4 and 3(e): NA.

(8) Petroleum and Petroleum Products: Article 1.4: Overall allocations and those to each importer are published annually.

(9) Crude Opium: Articles 1.4 and 3(e): Allocation of quotas published annually on April 1 of each year. Changes are published periodically in The Federal Register. Overall amount published annually.
B. Public Notice

The text of the Agreement reads as follows:

Article 3(d): "In the case of quotas allocated among supplying countries, the Party applying the restrictions shall promptly inform all other Parties having an interest in supplying the product concerned of the share in the quota currently allocated by quantity or value, to the various supplying countries and shall give public notice thereof;"

Information relevant to the meaning of "promptly inform" has been provided as follows:

Canada:

I. Narcotics Control Act; Food and Drugs Act; narcotics and food: Does not allocate quotas by country.

II. Explosives Act: explosives: NA

III. Plant Quarantine Act: plant and plant products: NA.

IV. Animal Disease and Protection Act: live animals; animal products, birds and veterinary biologies: NA.

V. National Energy Board Act:

   Section A: Natural gas and ethane: NA.

VI. Export and Import Permits Act:

   (1) Dairy Products: Individual importers are informed of their allocation at the beginning of the quota year.

   (2) Turkey, Eggs and Chicken: Individual importers are informed of their allocations at the beginning of a quota year.

   (3) Sugar and Coffee: NA.

   (4) Whale Products and By-Products: NA.

   (5) Endangered Species: NA.

Chile: NA.

Czechoslovakia: NA.

European Economic Community and Member States:

   European Economic Community:

   Agricultural Sector: NA.
Member States:

Italy: Global amount and amount by country is published in, *inter alia*, the weekly bulletin of the National External Trade Institute (ICE).

United Kingdom: Overall amount and imports from particular sources, where applicable, although not according to each importer, is published in the notices to importers in the weekly journal "British Business".

Hong Kong: No quotas, except for rice.

Hungary: Does not publish breakdown of quotas by countries or importers.

India: Does not publish quota amounts by country of origin.

Japan: Quotas not broken down by country of origin.

New Zealand: Quotas not allocated on basis of country of origin or by importer.

Norway: Global quotas are not allocated between countries.

Romania: NA.

Singapore: Does not publish overall amount, by country of origin or maximum amount allocated to each importer.

South Africa: Quota system no longer in force.

Sweden: Each importer is informed directly about his quota.

Switzerland: Importers are informed in writing concerning the size of quotas and allocation, etc.

United States:

(1) Department of Agriculture. plant and plant products: NA.

(2) Department of Agriculture: animal and animal products: NA.

(3) Department of Energy: natural gas: NA.

(4) Department of Interior: fish and wildlife (including endangered species): NA.

(5) Department of Treasury - Bureau of Alcohol, Tobacco and Firearms: distilled spirits (beverages), wine and malt beverages: NA.

(6) Department of Health and Human Services, Public Health Service - Food and Drug Administration: biological products: No quotas involved.
(7) Petroleum and Petroleum Products: Overall allocations and allocations to each importer are published annually.

(8) Crude Opium: Amount allocated to each country is not published.

Yugoslavia: Quotas by country of origin not determined in advance.
C. Application Procedures

The text of the Agreement reads as follows:

Article 1.6: "Applicants shall have to approach only one administrative body previously specified in the rules referred to in paragraph 4 above in connection with an application and shall be allowed a reasonable period therefore."

Information relevant to the meaning of "reasonable period" has been provided as follows:

Australia: Period of not less than twenty-one days for application for licences is allowed following imposition announcement.

Austria: Applications for licences can be submitted at any time.

Canada:

I. Narcotic Control Act; Food and Drugs Act: narcotics and drugs: Application may be made at any time of the year.

II. National Energy Board Act:

Section A: natural gas and ethane: Application for licences should be made a reasonable length of time prior to importation.

Section B: nos. 4, 5 and 6 heavy fuels, bunker "C" oil, "C" grade oil, residual fuel oil, heavy bunker oil, intermediate or thin bunker fuels and any other heavy fuel oils or blend of heavy fuel oils: Application for licences should be made a reasonable length of time prior to importation.

III. Export and Imports Permit Act:

(1) Clothing and Handbags: Within 30 days of arrival or anytime after arrival of goods.

(2) Textiles: Within 30 days of arrival or any time after arrival of goods.

(3) Footwear: Any time within quota period provided importer still has allocation. Import permits for goods under surveillance may be applied for 30 days prior to arrival or any time after arrival of goods.

(4) Dairy Products: Products subject to global import surveillance: 30 days prior or any time after arrival of shipment.

(5) Turkey, Eggs and Chicken: Applications for single shipment permits are made any time during 30 days prior to arrival.
(6) Sugar and Coffee: Thirty days prior to or any time after arrival of shipment.

(7) Whale Products and By-Products: Thirty days prior to or any time after arrival.

(8) Endangered Species: NA.

Chile: Application can be made at any time of the year.

European Economic Community and Member States:

European Economic Community: One month, where all applications are considered together.

Member States:

Benelux: Any time within the quota period.

Denmark: Three weeks for products under quotas: no time limits for other applications.

Federal Republic of Germany: If large quotas, applications may be submitted immediately and continuously. For small quotas, usual time limit of two to three weeks. For goods not under quota, no fixed time limit.

France: Grace period between publication of notice and deadline date is as a rule at least a fortnight.

Greece: Applications should be submitted one to two months from the date of the opening of the quota.

Ireland: For goods not under quota, no time limit.

Italy: Normally within 30 days following publication of quota and accompanying criteria for allocation.

United Kingdom: For applications examined simultaneously, not more than one month to submit applications.

India: For actual users (industrial), seven months to apply for annual requirements; eleven months to apply for supplementary licences after publication of import policy. Actual users (non-industrial), nine months to apply to imports of non-permissible spares. All other applications, eleven months after announcement of import policy.

Japan: Two-week period to submit applications for quotas.

Norway: Applications should usually be submitted immediately after announcement although they may be submitted within the course of the quota period.

Pakistan: During the currency of the Import Policy.
Philippines: For goods under quota, may file application until end of authorised period; for non-quota goods, must file application at least two weeks prior to estimated loading date.

Singapore: Within fourteen days after announcement to prove past performance, though no time limit to apply for licences as long as within quota period.

South Africa (see Part II): NA.

Sweden: A reasonable period of time.

Switzerland: No time limit for submission of applications, but must be handed in within three to five days prior to actual importation.

United States:

1. Department of Agriculture: certain dairy products: At least thirty days after announcement of new quota and application procedures.


3. Department of Interior: fish and wildlife: (including endangered species: No time limit in advance of importation.

4. Sugar for re-export or polyhydric alcohol production: A reasonable time before importation.

5. U.S. Nuclear Regulatory Commission: nuclear facilities and materials: No fixed period to receive application in advance of importation, except for time required to give public notice of receipt of application.

6. Petroleum and Petroleum Products: Applications for allocations and licences without fees must be filed at least sixty days prior to start of each allocation period; licences subject to fees require only ten days.

7. Feathers of Wild Birds: From 1 September to 30 September for allocation for succeeding calendar year.

8. Crude Opium: NA.

Yugoslavia: No time limit.
II. Responses submitted by delegations

1. The Committee on Import Licensing invited all signatories to provide their comments and observations as to how to proceed on points A, B and C. Only one signatory, the United States, has responded thus far. The text of their submission is reproduced below.

The Committee on Import Licensing invited all signatories to provide their comments and observations on certain provisions of the Agreement. The U.S. Government's (USG) comments on specific Licensing Code provisions are as follows:

Publication: Articles 1.4 and 3(E)

Article 1.4 - Currently reads "The rules and all information concerning procedures for the submission of application, including the eligibility of persons, firms and institutions to make such applications, and the lists of products subject to the licensing requirement shall be published promptly in such manner as to enable governments and traders to become acquainted with them. Any changes in either the rules concerning licensing procedures or the list of products subject to import licensing shall also be promptly published in the same manner. Copies of these publications shall also be made available to the GATT Secretariat". The USG believes that it would promote uniform interpretation and application of the Code to recommend that "promptly" mean, where possible, 30 days prior to the intended effective date of the licensing. Regarding the last sentence of Article 1.4, we believe that relevant licensing publications should be supplied to the GATT, where possible, no more than 30 days after the effective date of the licensing.

Article 3(E) - Currently reads "Where there is a specific opening date for the submission of licensing applications, the rules and product lists referred to in Paragraph 4 of Article 1 shall be published as far in advance as possible, or immediately after the announcement of the quota or other measure involving an import licensing requirement". The USG recommends that the Committee interpret "as far in advance as possible, or immediately after" to mean, where possible, 30 days prior to the opening date and no more than 30 days after the announcement of the quota or other measure.
Public Notice: Article 3(D) - Now reads "In the case of quotas allocated among supplying countries, the party applying the restrictions shall promptly inform all other parties having an interest in supplying the product concerned of the shares in the quota currently allocated, by quantity or value, to the various supplying countries and shall give public notice thereof". Again, the USG would recommend that the committee interpret "promptly" to mean, where possible, 30 days prior to the effective date of the licensing.

Application Procedures: Article 1.6 - Presently states that "Application procedures and, where applicable, renewal procedures shall be as simple as possible. Applicants shall have to approach only one administrative body previously specified in the rules referred to in Paragraph 4 above in connection with an application and shall be allowed a reasonable period therefor. In cases where it is strictly indispensable that more than one administrative body is to be approached in connection with an application, these shall be kept to the minimum number possible." The USG recommends that the Committee interpret "a reasonable period" to mean that an applicant be allowed, where possible, 30 days prior to the effective date of licensing to apply for that license with the appropriate administrative body, and that "the minimum number possible" mean no more than two administrative bodies.
2. The following information was sent by the delegation of South Africa:

Pursuant to the decision on its future work programme, adopted by the Committee on Import Licensing Procedures at its meeting on 4 October 1984, I wish to submit the following information regarding the administration of the South African licensing system:

A. Publication

Licensing notices are issued by the relevant Minister and regulations published in the Government Gazette, prior to their effective dates in order to allow governments and traders to become acquainted with it timeously.

The attached copy of Government Notice No. 2789 of 23 December 1983 (Government Gazette No. 9007) serves as an example of the manner in which full details are published for general information regarding:

(a) those goods (and the relevant customs tariff headings) which shall not be imported into the Republic of South Africa except by virtue of an import permit. Furthermore, 20 exceptions are listed where despite this determination such a permit shall not be required for example in the case where such goods are samples, a bona fide gift, advertising material, etc. (Paragraph (a) of the aforesaid regulations);

and

(b) those goods (and the relevant customs tariff headings) including the spares for such goods which may be imported from any country without an import permit. (Paragraph (c) of the aforesaid regulations).

B. Public Notice

Import permits may be utilised for the importation of goods from any country in the world and there are no quota schemes for supplying countries in operation.

C. Period of processing applications

Normally permits are transmitted through the post within 10 days after submission of an application. Urgent applications are finalised on the day of application.

\[1\] Document is available for consultation in the secretariat, Centre William Rappard, Office no. 1059