



5 October 2017

(17-5369)

Page: 1/5

## REPORT (2017) OF THE COMMITTEE ON IMPORT LICENSING TO THE COUNCIL FOR TRADE IN GOODS

1. The Agreement on Import Licensing Procedures (hereinafter "the Agreement") which entered into force on 1 January 1995, establishes disciplines on users of import licensing systems with the principal objective of ensuring that the procedures applied for granting import licences do not in themselves restrict trade. It aims to simplify, clarify and minimize the administrative requirements necessary to obtain import licences.
2. The Committee on Import Licensing was established to afford Members the opportunity of consulting on any matters relating to the operation of the Agreement or the furtherance of its objectives. The Committee's Rules of Procedure, which were approved by the Council for Trade in Goods, are contained in document G/L/147.
3. All Members of the WTO are *ipso facto* members of the Committee. Observer governments in the General Council of the WTO have Observer status in the Committee. The International Monetary Fund, the World Bank and UNCTAD have regular Observer status in the Committee.
4. The focus of this report is on the period since the Committee's last annual report (G/L/1162), i.e. 21 October 2016 - 3 October 2017 (hereinafter "the review period"). In 2017, the Committee held two formal meetings on 5 May and 3 October (G/LIC/M/45 and G/LIC/M/46). On 11 May, a fax was sent to the membership on the nomination, by the Council for Trade in Goods, of Mr. Fawaz Almuballi (Saudi Arabia) as Chairman for the Committee of 2017. On 12 May, the Committee elected him by acclamation. On 16 June, Mr. Richard Emerson-Elliott of Australia, who had been nominated by the Chairman, was elected Vice-Chairman of the Committee using the same approach. Pursuant to the Committee's Rules of Procedure, the officers shall hold office until the end of the first meeting of the following year.
5. Pursuant to Articles 1.4(a) and/or 8.2(b) of the Agreement and procedures agreed by the Committee, all Members are required, to notify their laws, regulations and administrative procedures relevant to import licensing and submit copies of any relevant publications or laws and regulations upon becoming a WTO Member. Any subsequent changes to these laws, regulations and administrative procedures are also required to be published and notified. During the review period, the Committee reviewed 13 notifications (Annex I) from the following 11 Members: Brunei Darussalam; the European Union; Kazakhstan; Mauritius; Republic of Moldova; South Africa; Switzerland; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Thailand; Ukraine and the United States. These notifications can be found in the document series G/LIC/N/1/- . Copies of publications and legislations submitted with these notifications are available for consultation in the Secretariat.
6. The Committee also reviewed, pursuant to paragraphs one to four of Article 5, 22 notifications (Annex II) relating to the institution of new import licensing procedures or changes in these procedures from 11 Members: Argentina; the European Union; Hong Kong, China; Indonesia; Republic of Korea; Malawi; Malaysia; Paraguay; Philippines; Togo and Ukraine. These notifications can be found in the document series G/LIC/N/2/- . Article 5.5 of the Agreement allows Members to submit reverse notifications, where a Member considers that another Member has not notified the institution of a licensing procedure or changes in the procedures. However, no such reverse notifications have been received under this provision since the entry into force of this Agreement.

7. Article 7.3 of the Agreement requires all Members to submit replies to the Questionnaire on Import Licensing Procedures<sup>1</sup> by 30 September each year. During the review period, the Committee reviewed 31 notifications (Annex III) from the following 26 Members: Argentina; Australia; Burundi; Cameroon; China; the European Union; Hong Kong, China; Gabon; Georgia; Japan; Malawi; Malaysia; Mali; Mauritius; Nicaragua; Panama; Qatar; Saint Lucia; Singapore; South Africa; Switzerland; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; the former Yugoslav Republic of Macedonia; Togo; Ukraine and the United States. These notifications can be found in the document series G/LIC/N/3/-.

8. During the review period, six Members for the first time, submitted notifications to the Committee under various Articles of the Agreement: (i) under Articles 1.4(a)/8.2(b): Brunei Darussalam, Kazakhstan and South Africa; (ii) under Article 5: Philippines and Togo; (iii) under Article 7.3: Gabon. In addition, the following Members updated their N/1 notifications and provided a full list of import licensing-related legislations: Mauritius and the Republic of Moldova. The Chairman thanked these Members for their notifications and urged Members who had not yet notified and those who had not updated their notifications to do so as soon as possible.

9. The Committee has provided a regular forum for exchanging views on specific trade issues raised by Members. Written comments and questions concerning notifications submitted to the Committee and/or on import licensing procedures maintained by Members, and replies thereto, may be found in document series G/LIC/Q/- . During the review period: the European Union posed written questions to Bolivia (G/LIC/Q/BOL/3); Brazil (G/LIC/Q/BRA/20); Indonesia (G/LIC/Q/IDN/37 and G/LIC/Q/IDN/40); Malaysia (G/LIC/Q/MYS/13); Morocco (G/LIC/Q/MAR/1) and Thailand (G/LIC/Q/THA/3). The United States posed written questions to Indonesia (G/LIC/Q/IDN/36). The following Members provided written responses to comments and questions: Brazil to the European Union (G/LIC/Q/BRA/21); Indonesia to the European Union (G/LIC/Q/IDN/39); Indonesia to the United States (G/LIC/Q/IDN/38); Malaysia to the European Union (G/LIC/Q/MYS/14 and G/LIC/Q/MYS/15); Morocco to the European Union (G/LIC/Q/MAR/2); the European Union to the Russian Federation (G/LIC/Q/EU/2) and Viet Nam to the United States (G/LIC/Q/VNM/7).

10. In addition, the following Members requested to include in the agenda and commented on specific issues regarding other Members' import licensing regimes/measures. At Committee meeting(s) during the review period, the United States made statements on Indonesia's import licensing regime for cellphones, handheld computers and tablets; on Indonesia's import requirements related to milk supply and circulation; on India's import licensing requirements for boric acid; on Mexico's steel import licensing program; on China's changes to import licensing for certain recoverable wastes and recovered materials; and on Viet Nam's import requirements on distilled spirits and the completeness of its notification. Thailand made a statement on Indonesia's import licensing regime for tyres. The European Union made statements on Brazil's regulatory requirements for nitrocellulose imports. The Russian Federation made a statement on the European Union's import licensing system on steel. Members whose licensing measures have been questioned responded at the meetings.

11. For some time now, the low level of compliance of Members with the transparency obligations of the Agreement has been the main preoccupation of the Committee. During the review period, three informal meetings (3 November 2016, 16 December 2016 and 16 February 2017) were held on improving transparency and streamlining the notification procedures and templates of the Agreement. Divergent views remain among Members on how to proceed on the issue. With a view to addressing developing Members', in particular Least-Developed Countries' capacity constraints in fulfilling their notification obligations under the Agreement, a first workshop on Import Licensing was organized by the Secretariat on 2 to 5 May 2017 in Geneva. Thirty participants representing 30 WTO Members participated in this workshop. At its meeting in October, the Committee agreed to pursue discussions on how to improve compliance with the notification requirements under the Agreement.

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<sup>1</sup> Annexed to document G/LIC/3.

**ANNEX I: NOTIFICATIONS REVIEWED DURING THE REVIEW PERIOD PURSUANT  
TO ARTICLES 1.4(A) AND/OR 8.2(B) OF THE AGREEMENT  
FROM 21 OCTOBER 2016 TO 3 OCTOBER 2017**

MEMBER	DOCUMENT	DATE OF ISSUANCE OF THE DOCUMENT
BRUNEI DARUSSALAM	G/LIC/N/1/BRN/1 G/LIC/N/1/BRN/1/REV.1	25/11/2016 12/12/2016
EUROPEAN UNION	G/LIC/N/1/EU/10 G/LIC/N/1/EU/11	28/02/2017 10/08/2017
KAZAKHSTAN	G/LIC/N/1/KAZ/1	27/02/2017
MAURITIUS	G/LIC/N/1/MUS/3	22/09/2017
MOLDOVA, REPUBLIC OF	G/LIC/N/1/MDA/3	12/06/2017
SOUTH AFRICA	G/LIC/N/1/ZAF/1	02/12/2016
SWITZERLAND	G/LIC/N/1/CHE/4	22/09/2017
THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU	G/LIC/N/1/TPKM/12	22/09/2017
THAILAND	G/LIC/N/1/THA/2	24/10/2016
UKRAINE	G/LIC/N/1/UKR/6	28/02/2017
UNITED STATES	G/LIC/N/1/USA/7	20/03/2017

**ANNEX II: NOTIFICATIONS REVIEWED DURING THE REVIEW PERIOD PURSUANT TO  
PARAGRAPHS 5.1-5.4 OF ARTICLE 5 OF THE AGREEMENT  
FROM 21 OCTOBER 2016 TO 3 OCTOBER 2017**

MEMBER	DOCUMENT	DATE OF ISSUANCE OF THE DOCUMENT
ARGENTINA	G/LIC/N/2/ARG/27/ADD.4	08/11/2016
	G/LIC/N/2/ARG/27/ADD.5	20/12/2016
	G/LIC/N/2/ARG/27/ADD.6	30/03/2017
	G/LIC/N/2/ARG/28	26/09/2017
EUROPEAN UNION	G/LIC/N/2/EU/10	28/02/2017
	G/LIC/N/2/EU/11	10/08/2017
HONG KONG, CHINA	G/LIC/N/2/HKG/8	26/09/2017
INDONESIA	G/LIC/N/2/IDN/32	15/11/2016
	G/LIC/N/2/IDN/33	15/11/2016
	G/LIC/N/2/IDN/34	15/11/2016
	G/LIC/N/2/IDN/35	15/11/2016
	G/LIC/N/2/IDN/36	22/03/2017
KOREA, REPUBLIC OF	G/LIC/N/2/KOR/2	03/02/2017
MALAWI	G/LIC/N/2/MWI/4	14/02/2017
MALAYSIA	G/LIC/N/2/MYS/8	18/08/2017
	G/LIC/N/2/MYS/8/ADD.1	20/09/2017
PARAGUAY	G/LIC/N/2/PRY/7	27/06/2017
PHILIPPINES	G/LIC/N/2/PHL/1	08/11/2016
	G/LIC/N/2/PHL/2	09/11/2016
TOGO	G/LIC/N/2/TGO/1	20/03/2017
UKRAINE	G/LIC/N/2/UKR/6	28/02/2017
	G/LIC/N/2/UKR/6/CORR.1	10/04/2017

**ANNEX III: NOTIFICATIONS REVIEWED DURING THE REVIEW PERIOD  
PURSUANT TO ARTICLE 7.3 OF THE AGREEMENT  
FROM 21 OCTOBER 2016 TO 3 OCTOBER 2017**

MEMBER	DOCUMENT (YEAR NOTIFIED FOR)	DATE OF ISSUANCE OF THE DOCUMENT	
ARGENTINA	G/LIC/N/3/ARG/12 G/LIC/N/3/ARG/13	(2016) (2017)	11/11/2016 25/09/2017
AUSTRALIA	G/LIC/N/3/AUS/9 G/LIC/N/3/AUS/9/REV.1	(2016)	23/03/2017 08/06/2017
BURUNDI	G/LIC/N/3/BDI/3	(2017)	12/04/2017
CAMEROON	G/LIC/N/3/CMR/7	(2017)	10/04/2017
CHINA	G/LIC/N/3/CHN/14	(2015)	29/11/2016
EUROPEAN UNION	G/LIC/N/3/EU/5 G/LIC/N/3/EU/6	(2016) (2017)	21/10/2016 03/10/2017
HONG KONG, CHINA	G/LIC/N/3/HKG/21	(2017)	28/09/2017
GABON	G/LIC/N/3/GAB/1	(2017)	10/04/2017
GEORGIA	G/LIC/N/3/GEO/6	(2016)	21/04/2017
JAPAN	G/LIC/N/3/JPN/16	(2017)	02/10/2017
MALAWI	G/LIC/N/3/MWI/5	(2016)	14/02/2017
MALAYSIA	G/LIC/N/3/MYS/12 G/LIC/N/3/MYS/12/CORR.1	(2016)	05/12/2016 13/12/2016
MALI	G/LIC/N/3/MLI/8 G/LIC/N/3/MLI/9	(2016)	29/11/2016 10/07/2017
MAURITIUS	G/LIC/N/3/MUS/7	(2017)	22/09/2017
NICARAGUA	G/LIC/N/3/NIC/8	(2016)	11/11/2016
PANAMA	G/LIC/N/3/PAN/8	(2017)	12/05/2017
QATAR	G/LIC/N/3/QAT/12	(2015)	15/02/2017
SAINT LUCIA	G/LIC/N/3/LCA/7	(2016)	03/03/2017
SINGAPORE	G/LIC/N/3/SGP/12	(2016)	08/11/2016
SOUTH AFRICA	G/LIC/N/3/ZAF/6	(2016)	20/12/2016
SWITZERLAND	G/LIC/N/3/CHE/13	(2017)	22/09/2017
THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU	G/LIC/N/3/TPKM/8	(2017)	25/09/2017
THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA	G/LIC/N/3/MKD/5	(2017)	24/02/2017
TOGO	G/LIC/N/3/TGO/3	(2017)	20/03/2017
UKRAINE	G/LIC/N/3/UKR/10	(2017)	25/09/2017
UNITED STATES	G/LIC/N/3/USA/13	(2016)	08/11/2016