

## REPORT (2006) 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/753), i.e. 29 September 2005 - 30 October 2006 (hereinafter "the review period"). During the review period, the Committee held two meetings on 21 June and 30 October 2006 (G/LIC/M/23 and G/LIC/M/24). At its meeting on 21 June 2006, the Committee took note of the nomination of Mr. Evelio Alvarado Romero (Guatemala) as Chairperson of the Committee for the current year and elected him by acclamation. At that meeting, the Committee elected as Vice-Chairperson for the current year, Mr. Peter Govindasamy (Singapore). Pursuant to Committee's Rules of Procedure, they took office at the end of that meeting.
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 notified. Since the entry into force of the WTO Agreement, 94 Members<sup>1</sup> have notified the Committee of their legislation and/or publications under these provisions. During the review period, the Committee received eleven notifications from the following ten Members: Brazil, Democratic Republic of Congo, Haiti, India, Israel, Mexico, People's Republic of China, Romania, Saint Lucia and the United States. These notifications may be found in document series G/LIC/N/1/-. Copies of publications and legislation submitted with these notifications are available for consultation in the Secretariat.
6. The Committee also received, pursuant to paragraphs 5.1-5.4 of Article 5, seven notifications relating to the institution of new import licensing procedures or changes in these procedures from five Members: Argentina, Brazil, India, Israel and Romania. These notifications may be found in document series G/LIC/N/2/-. Since the entry into force of the WTO Agreement 26 Members<sup>3</sup> have submitted notifications under these provisions. Article 5.5 of the Agreement allows Members to

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<sup>1</sup> The European Communities and its member States counted as one Member.

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 the Agreement.

7. Article 7.3 of the Agreement requires all Members to provide replies to the Questionnaire on Import Licensing Procedures<sup>2</sup> by 30 September each year. Since the entry into force of the WTO Agreement, 90 Members<sup>1</sup> have made notifications under this provision. This includes replies to the Questionnaire from 11 Members in 1995, 22 Members in 1996, 25 Members<sup>1</sup> in 1997, 26 Members in 1998, 20 Members<sup>1</sup> in 1999, 32 Members<sup>1</sup> in 2000, 23 Members<sup>1</sup> in 2001, 41 Members<sup>1</sup> in 2002, 25 Members<sup>1</sup> in 2003, 21<sup>1</sup> Members in 2004, 19<sup>1</sup> Members in 2005 and 38<sup>1</sup> Members in 2006. During the review period, the Committee received 48 notifications from the following 38 Members: Argentina; Armenia; Australia; Bangladesh; Barbados; Brazil; Bulgaria; Canada; Chile; China (People's Republic of); Colombia; Congo (Democratic Republic of); the European Communities; Georgia; Grenada; Guatemala; Haiti; Hong Kong, China; India; Israel; Jamaica; Japan; Kyrgyz Republic; Macao, China; Malawi; Malaysia; Mexico; Morocco; Peru; Qatar; Romania; Rwanda; Saint Lucia; Saudi Arabia; Tunisia; Turkey; Uganda and the United States. These notifications may be found in document series G/LIC/N/3/-.

8. Written comments and questions from Members concerning the 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/-<sup>3</sup>. During the review period, such comments and questions were submitted by the United States to Brazil and Malaysia (documents G/LIC/Q/BRA/3/Add.1 and G/LIC/Q/MYS/3, respectively), by China to the United States (G/LIC/Q/USA/1), by Australia to Malaysia (G/LIC/Q/MYS/4) and additional questions by Mexico to Guatemala (G/LIC/Q/GTM/2), while responses were provided by Indonesia to the United States (G/LIC/Q/IDN/8); by Guatemala to Mexico (G/LIC/Q/GTM/1) and by the United States to China (G/LIC/Q/USA/2). During the same period, the Committee heard concerns regarding certain import licensing procedures applicable in Argentina, Brazil, Belize, Indonesia, Turkey and India. Statements of Members in this context, including responses given orally at the meetings, are reflected in the minutes of the meetings.

9. The Committee has provided a regular forum for the discussion of specific notifications submitted by Members. As evident in the Annex to this report, there continues to be a low level of compliance with the mandatory notification requirements under Articles 1.4(a), 8.2(b) and 7.3 and with the ad hoc notification requirement under Article 5. This low level of compliance of Members with the transparency obligations of the Agreement has been the main preoccupation of the Committee for some time now.

10. At its meetings of 21 June and 30 October, the Chair expressed continuing concern over the failure of many Members to submit the required notifications and once again urged Members who had not yet notified and had not updated their notifications or provided clarifications sought by other Members to do so as soon as possible.

11. At its meeting of 30 October, the Committee conducted the fifth transitional review, as appropriate to its mandate, of the implementation by China of the WTO Agreement and of the related provisions of its Protocol of Accession<sup>4</sup>, as provided for in Paragraph 18 of the Protocol on the Accession of the People's Republic of China to the WTO (G/LIC/M/22, paragraphs 3.1-3.10). The report of the Committee to the Council for Trade in Goods on this review is contained in document G/LIC/15.

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<sup>2</sup> Annexed to document G/LIC/3.

<sup>3</sup> See understanding on Procedures for the Review of Notifications (G/LIC/4).

<sup>4</sup> WT/L/432.

12. The Committee also conducted, at its meeting of 30 October 2006, the Sixth Biennial Review of the implementation and operation of the Agreement under Article 7.1. The report was circulated in document G/LIC/16.

## ANNEX

### Notifications<sup>5</sup>

MEMBER <sup>6</sup>	N/1 <sup>7</sup>	DATE	N/2 <sup>8</sup>	DATE	N/3 <sup>9</sup>	DATE
ALBANIA			N/2/ALB/1	22.02.02	N/3/ALB/1	04.02.02
ANGOLA						
ANTIGUA & BARBUDA	N/1/ATG/1	31.01.02			N/3/ATG/2	30.01.02
ARGENTINA	N/1/ARG/2	22.01.98	N/2/ARG/10	15.09.06	N/3/ARG/3	15.09.06
ARMENIA	N/1/ARM/1	07.11.03			N/3/ARM/3	28.08.06
AUSTRALIA	N/1/AUS/1/Add.1	22.05.97	N/2/AUS/1	14.06.04	N/3/AUS/2	23.10.06
BAHRAIN	N/1/BHR/1	13.06.97			N/3/BHR/1	15.09.00
BANGLADESH	N/1/BGD/2	01.04.05			N/3/BGD/3	29.09.06
BARBADOS	N/1/BRB/1	04.10.96			N/3/BRB/3/A.1	14.09.06
BELIZE						
BENIN	N/1/BEN/1	10.02.97				
BOLIVIA	N/1/BOL/1	16.06.97			N/3/BOL/3	29.06.00
BOTSWANA						
BRAZIL	N/1/BRA/3	18.10.06	N/2/BRA/3	18.10.06	N/3/BRA/5	18.10.06
BRUNEI DARUSSALAM					N/3/BRN/1	10.04.97
BULGARIA	N/1/BGR/2	24.09.04			N/3/BGR/3	25.10.06
BURKINA FASO	N/1/BFA/1	10.02.97			N/3/BFA/1/A.1	18.12.00
BURUNDI	N/1/BUR/1	27.04.01			N/3/BUR/2	07.11.01
CAMBODIA						
CAMEROON	N/1/CMR/1	18.09.01			N/3/CMR/1	17.12.04
CANADA	N/1/CAN/1	16.02.96			N/3/CAN/5	26.10.06
CENTRAL AFRICAN REPUBLIC						
CHAD	N/1/TCO/2	16.08.00			N/3/TCO/2	20.08.01
CHILE	N/1/CHL/1	31.07.06			N/3/CHL/2	13.09.06
CHINA	N/1/CHN/5	20.03.06			N/3/CHN/5	03.10.06
COLOMBIA	N/1/COL/1/A.1	14.02.01			N/3/COL/4	18.10.06
CONGO						
COSTA RICA	N/1/CRI/1	23.01.96			N/3/CRI/3	15.02.01
COTE D'IVOIRE	N/1/CIV/1	08.02.02			N/3/CIV/1	08.02.02
CROATIA	N/1/HRV/3	04.04.05			N/3/HRV/3	04.04.05
CUBA	N/1/CUB/1	24.01.96			N/3/CUB/2/A.1	15.09.04
CONGO DEM. REP. OF THE	N/1/COD/1	19.10.06			N/3/COD/1	18.10.06
DJIBOUTI						
DOMINICA	N/1/DMA/1	22.02.01			N/3/DMA/1	23.02.01
DOMINICAN REPUBLIC	N/1/DOM/1	04.05.04			N/3/DOM/2	04.05.04
EC COMMISSION	N/1/EEC/2/A.4	10.01.03	N/2/EEC/2	14.07.97	N/3/EEC/8/Add.1	16.06.06
ECUADOR	N/1/ECU/2	15.06.05			N/3/ECU/2	20.12.02

<sup>5</sup> The title "Date" refers to the date of issuance of the document.

<sup>6</sup> The European Communities and its members States counted as one Member

<sup>7</sup> Art. 1.4(a) and/or 8.2(b) publications and/or legislation (date of latest communication)

<sup>8</sup> Article 5.1-5.4 – Ad hoc New import licensing procedures or changes (date of latest communication)

<sup>9</sup> Article 7.3 – Annual Replies to Questionnaire (date of latest communication)

MEMBER <sup>6</sup>	N/1 <sup>7</sup>	DATE	N/2 <sup>8</sup>	DATE	N/3 <sup>9</sup>	DATE
EGYPT						
EL SALVADOR	N/1/SLV/1	03.02.04				
REP. OF THE FIJI ISLANDS	N/1/FJI/1	03.09.97			N/3/FJI/1	16.04.97
FMR. YUGOSLAV REP. OF MACEDONIA	N/1/MKD/1	29.10.04				
GABON	N/1/GAB/2	13.03.02				
GAMBIA					N/3/GMB/1	05.12.97
GEORGIA	N/1/GEO/1	08.04.02			N/3/GEO/3	04.09.06
GHANA	N/1/GHA/1	21.04.04			N/3/GHA/3	21.04.04
GRENADA	N/1/GRD/1	10.04.02			N/3/GRD/1	19.10.06
GUATEMALA	N/1/GTM/2	28.01.00			N/3/GTM/3	18.10.06
GUINEA BISSAU						
GUINEA, REP.OF						
GUYANA	N/1/GUY/1	10.04.02			N/3/GUY/2	28.10.03
HAITI	N/1/HTI/2	27.10.06			N/3/HTI/3	27.10.06
HONDURAS	N/1/HND/1	03.12.96				
HONG KONG, CHINA	N/1/HKG/5	07.01.03	N/2/HKG/2	09.02.98	N/3/HKG/10	20.09.06
ICELAND	N/1/ISL/1	26.01.99			N/3/ISL/3	28.10.04
INDIA	N/1/IND/9	25.09.06	N/2/IND/8	25.09.06	N/3/IND/8	22.09.06
INDONESIA	N/1/IDN/1	02.11.98	N/2/IDN/1	22.04.03	N/3/IDN/2	20.05.00
ISRAEL	N/1/ISR/1	19.10.06	N/2/ISR/1	19.10.06	N/3/ISR/1	19.10.06
JAMAICA	N/1/JAM/1	11.07.96	N/2/JAM/1	01.10.03	N/3/JAM/2	06.10.06
JAPAN	N/1/JPN/2/R.1	26.02.97	N/2/JPN/3	27.04.01	N/3/JPN/4	01.11.05
JORDAN	N/1/JOR/2/A.1	03.09.03	N/2/JOR/2	10.06.05	N/3/JOR/1	11.12.00
KENYA	N/1/KEN/1	12.06.03			N/3/KEN/2/A.1	12.06.03
KOREA, REP. OF	N/1/KOR/3	14.04.98			N/3/KOR/4	02.08.05
KUWAIT						
KYRGYZ REPUBLIC	N/1/KGZ/1	18.01.00			N/3/KGZ/2	09.10.06
LESOTHO						
LIECHTENSTEIN	N/1/LIE/2	26.10.00	N/2/LIE/2	26.10.00	N/3/LIE/4/A.1	14.04.03
MACAO, CHINA	N/1/MAC/2	03.02.04			N/3/MAC/9	05.10.06
MADAGASCAR	N/1/MDG/2	25.04.00			N/3/MDG/2	21.06.05
MALAWI	N/1/MWI/1	13.10.99			N/3/MWI/2	03.10.06
MALAYSIA			N/2/MYS/2	06.09.99	N/3/MYS/2	11.09.06
MALDIVES					N/3/MDV/1	15.04.02
MALI	N/1/MLI/1	27.08.01			N/3/MLI/2	27.08.01
MAURITANIA						
MAURITIUS	N/1/MUS/1/A.3	05.06.98			N/3/MUS/2	04.07.02
MEXICO	N/1/MEX/2	18.10.06			N/3/MEX/2	18.10.06
MOLDOVA	N/1/MDA/1	22.01.02			N/3/MDA/1	08.02.02
MONGOLIA	N/1/MNG/1	27.04.01			N/3/MNG/1	12.06.03
MOROCCO	N/1/MAR/1/A.2	20.01.05			N/3/MAR/5	19.10.06
MOZAMBIQUE						
MYANMAR						
NAMIBIA	N/1/NAM/1	29.10.02			N/3/NAM/4	29.10.02
NEPAL						
NEW ZEALAND	N/1/NZL/1	22.08.96			N/3/NZL/1/A.1	06.04.98
NICARAGUA	N/1/NIC/1	05.08.96				
NIGER	N/1/NER/1	12.01.98				

MEMBER <sup>6</sup>	N/1 <sup>7</sup>	DATE	N/2 <sup>8</sup>	DATE	N/3 <sup>9</sup>	DATE
NIGERIA	N/1/NGA/1	18.02.98	N/2/NGA/2	18.02.98	N/3/NGA/2	18.02.98
NORWAY	N/1/NOR/2	03.12.97			N/3/NOR/2/A.2	25.04.00
OMAN	N/1/OMN/1	20.02.01			N/3/OMN/2	01.04.05
PAKISTAN	N/1/PAK/1	29.05.96	N/2/PAK/1	29.05.96		
PANAMA	N/1/PAN/2	16.11.98	N/2/PAN/1	18.08.98	N/3/PAN/2	04.03.04
PAPUA NEW GUINEA			N/2/PNG/1	17.02.98		
PARAGUAY	N/1/PRY/1	12.06.03				
PERU	N/1/PER/2/r.1	31.05.05			N/3/PER/4	03.10.06
PHILIPPINES	N/1/PHL/1	14.04.98			N/3/PHL/4/A.1	03.10.03
QATAR	N/1/QAT/1	02.04.98			N/3/QAT/3	22.09.06
ROMANIA	N/1/ROU/3/A.1	16.01.06	N/2/ROU/4	05.10.05	N/3/ROU/3	09.10.06
RWANDA					N/3/RWA/1	20.07.06
ST. KITTS AND NEVIS	N/1/KNA/1	07.08.98				
ST. LUCIA	N/1/LCA/2	18.10.06	N/2/LCA/2	17.10.02	N/3/LCA/4	06.10.06
ST. VINCENT & GRENADINES						
SAUDI ARABIA					N/3/SAU/1	19.10.06
SENEGAL	N/1/SEN/1	23.10.02			N/3/SEN/2	23.10.02
SIERRA LEONE						
SINGAPORE	N/1/SGP/4	24.09.04	N/2/SGP/3	24.09.04	N/3/SGP/4	12.11.03
SOLOMON ISLANDS						
SOUTH AFRICA			N/2/ZAF/1	15.07.97	N/3/ZAF/4	17.09.02
SRI LANKA	N/1/LKA/1	20.05.03			N/3/LKA/1	27.05.03
SURINAME	N/1/SUR/1	15.12.03				
SWAZILAND	N/1/SWZ/1	04.10.96				
SWITZERLAND	N/1/CHE/2	26.09.00	N/2/CHE/2	26.09.00	N/3/CHE/4/A.1	14.04.03
TAIPEI, CHINESE	N/1/TPKM/6	20.12.04	N/2/TPKM/4	20.12.04	N/3/TPKM/2	30.07.04
TANZANIA						
THAILAND						
TOGO	N/1/TGO/1	12.06.03			N/3/TGO/1	12.06.03
TRINIDAD & TOBAGO	N/1/TTO/1	10.11.98			N/3/TTO/4	10.08.04
TUNISIA	N/1/TUN/1/A.1	11.02.99			N/3/TUN/3/A.5	20.02.06
TURKEY	N/1/TUR/4	30.09.03			N/3/TUR/6	20.10.06
UGANDA	N/1/UGA/1	03.10.96			N/3/UGA/1/A.2	07.10.05
UNITED ARAB EMIRATES	N/1/ARE/1	18.04.97			N/3/ARE/	25.04.00
UNITED STATES	N/1/USA/3	24.04.06	N/2/USA/2	21.06.05	N/3/USA/4	25.06.06
URUGUAY	N/1/URY/3	25.09.01			N/3/URY/3	27.07.05
VENEZUELA	N/1/VEN/1	25.10.02	N/2/VEN/5	20.05.03	N/3/VEN/1	27.05.02
ZAMBIA	N/1/ZMB/2	18.02.04			N/3/ZMB/2	18.02.04
ZIMBABWE	N/1/ZWE/2	28.09.98			N/3/ZWE/1/A.2	16.03.01
<b>TOTAL: 124</b>	<b>94</b>		<b>26</b>		<b>90</b>	