

WORKING DOCUMENT NO. 13

TARIFF QUOTAS

(a) Bound in-quota tariffs

1. The final reductions of bound in-quota tariffs shall be no less than the [default] [sensitive deviation] rate of cut in the respective band within which the item falls, [increased by 20 per cent]. The implementation period and staging shall be aligned with those applying to reductions in the bound out-of-quota tariffs. [Bound in-quota tariffs shall be eliminated in equal annual instalments over five years.] In no case shall the rate of reduction in the out-of-quota tariff lead to an effective increase in the relative margin between that rate and the in-quota tariff.

2. Reductions in in-quota tariff rates shall not count for the purposes of calculating the average cuts, if applicable.

(b) Tariff quota administration

3. Tariff quota administration of scheduled agricultural tariff quotas shall be deemed to be an instance of "import licensing" within the meaning of the Uruguay Round Agreement on Import Licensing Procedures and, accordingly, that Agreement shall apply in full, subject to the Agreement on Agriculture and to the following more specific and additional obligations.

4. As regards the matters referred to in paragraph 4 (a) of Article 1 of that Agreement, as these agricultural tariff quotas are negotiated and scheduled commitments, publication of the relevant information shall be effected no later than 90 days prior to the opening date of the tariff quota concerned. Where applications are involved, this shall also be the minimum advance date for the opening of applications.

5. As regards paragraph 6 of Article 1, applicants for scheduled agricultural tariff quotas shall apply to one administrative body only.

6. As regards the matters referred to in paragraph 5(f) of Article 3 of that Agreement, the period for processing applications shall be, unqualifiedly, no longer than 30 days for "as and when received" cases and no longer than 60 days for "simultaneous" consideration cases. The issuance of licences shall, therefore, take place no later than the effective opening date of the tariff quota concerned, except where, for the latter category, there has been an extension for applications allowed for under Article 1.6.

7. As regards Article 3.5(i), licences for scheduled agricultural tariff quotas shall be issued in economic quantities.

8. As regards paragraph 5 of Article 3, tariff quota "fill rates" shall be understood to be "relevant information" within the meaning of this provision.

9. In order to ensure that their administrative procedures are consistent with Article 3.1 of that Agreement, "no more administratively burdensome than absolutely necessary to administer the measure", importing Members shall ensure that unfilled tariff quota access is not attributable to administrative procedures that are more constraining than an "absolute necessity" test would demand.

10. Members shall, accordingly, provide for an effective re-allocation mechanism [which ensures that, where licences held by private operators are less than fully utilized for reasons other than those that would be expected to be followed by a normal commercial operator in the circumstances, all feasible steps shall be taken to provide re-allocated access to tariff quotas as soon as possible. If this is legally and practicably feasible within a given tariff quota allocation period, it shall be done within that period. If not, changes to the licence allocation arrangements tailored to remedy the problem identified shall be implemented no later than the commencement of the next licensing period] [in accordance with the procedures outlined in Attachment x].

11. In any event, an importing Member shall, where it is manifest that a tariff quota is under filled, request those operators holding unused entitlements whether they would be prepared to make them available to other potential users.

12. As regards Article 3.5 (a) (ii) of that Agreement, Members shall make available the contact details of those importers holding licences for access to scheduled agricultural tariff quotas, where, subject to the terms of Article 1.11, this is possible and/or with their consent.

13. [Further to Article 3.5 (k), imports shall only be attributable to a scheduled agricultural tariff quota when the imports concerned have been accompanied by a certificate of origin issued by the exporting country Member concerned for that purpose. Exporting country Members shall issue such certificates on demand for any of their exporters fulfilling normal requirements for export.]