GENERAL AGREEMENT

ON TARIFFS AND TRADE

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Tokyo Round Committee on Import Licensing

MINUTES OF THE MEETING HELD ON 3 MAY 1995

Chairman: Mr. Danny K. C. Lau (Hong Kong)

- 1. The Committee held its thirty-sixth meeting on 3 May 1995.
- 2. The agenda contained in GATT/AIR/3680/Rev.1 was adopted.
- A. <u>Election of Officers</u>
- 3. The Committee elected Mr. Danny K. C. Lau (Hong Kong) as Chairman for 1995.
- B. Status of Signatories and Observers:
- 4. The <u>Chairman</u> drew the attention of the Committee to document LIC/23 concerning the acceptance of the Agreement by Slovenia on 7 November 1994. In terms of Article 5:3, the Agreement entered into force for Slovenia on 7 December 1994.
- 5. He then referred to document LIC/24 which contained a communication, received on 30 December 1994, from the Office of the United States' Trade Representative notifying the decision of the Government of the United States to withdraw from the Tokyo Round Agreement on Import Licensing Procedures. Pursuant to Article 5:7 of the Agreement, the withdrawal took effect as from 28 February 1995. He further informed the Committee that, as indicated in a communication dated 16 March 1995 addressed to the Chairman of this Committee, the United States would be following the meetings of this Committee in an observer capacity.
- 6. The Committee took note of this information.

C. <u>Decision on Avoidance of Procedural and Institutional Duplication</u>

- The Chairman drew the attention of the Committee to a proposal by the Preparatory Committee that the CONTRACTING PARTIES to GATT 1947, the Committees established under the Tokyo Round Agreements and the General Council of the WTO adopt the Decision on Avoidance of Procedural and Institutional Duplication. The Decision had been adopted by the CONTRACTING PARTIES to GATT 1947 in December 1994, and by the General Council in January 1995. The Decision provided for notification and coordination procedures for the Tokyo Round and WTO Committees in order to avoid procedural and institutional duplication during the period of transition. These procedures covered notification of measures subject to notification obligations both under the WTO Agreement and under the GATT 1947 or a Tokyo Round Agreement; circulation of such notifications; coordination of activities between the Tokyo Round Committees and WTO Committees; and joint and/or consecutive meetings, as appropriate, between such Committees (PC/11, L/7582). He proposed that the Committee adopt this Decision.
- 8. The Committee adopted the Decision.

D. Replies to the GATT Import Licensing Questionnaire

- 9. The <u>Chairman</u> referred to document L/5640/Rev.11, dated 4 April 1995, on the status of notifications on import licensing under GATT procedures and said that, since the last meeting of this Committee, replies to the questionnaire and a copy of the "Guide to Export and Import Licensing Requirements" had been received from Hong Kong (L/5640/Add.36/Rev.8).
- 10. The representative of <u>Australia</u> stated that his delegation had some queries on the notification from Hong Kong, which he hoped to raise at the next meeting of this Committee, or at the next meeting of the WTO Committee on Import Licensing, should the Committee decide to pursue the review of this notification in that forum.
- 11. The representative of Hong Kong noted the comment.
- 12. The Committee took note of the information provided and the comments made.

E. Preparation for the Eighth Biennial Review of the Implementation and Operation of the Agreement

- 13. The <u>Chairman</u> recalled that the previous (seventh) biennial review of the implementation and operation of the Agreement, under Article 5.5, had been conducted in October 1993 and that the next review was due in autumn 1995. The Committee might want to consider whether a biennial review was necessary this year considering that the WTO Committee on Import Licensing would conduct its first review probably at the end of 1996. He drew the attention of the Committee, in this respect, to agenda item F, under which a draft Decision on the termination of the Tokyo Round Agreement would be considered for adoption.
- 14. The Committee agreed not to hold a biennial review in 1995.

F. <u>Termination of the Agreement</u>

- 15. The <u>Chairman</u> referred to document LIC/W/73, dated 12 April 1995, which contained a draft Decision on the termination of the Tokyo Round Agreement on Import Licensing Procedures. Since the 1979 Agreement interpreted and supplemented the GATT 1947, it made little sense to keep the Agreement in existence beyond the date on which the GATT 1947 would terminate. The legal instruments through which the contracting parties applied the GATT 1947 would be terminated at the end of 1995 unless, in the light of unforeseen circumstances, the CONTRACTING PARTIES decided to postpone the date of termination by one more year.
- 16. The representative of <u>Japan</u> stated that his delegation had no problems about terminating the Agreement. However, Japan proposed having consultations concerning the reasons given in the draft Decision for the termination of the Agreement.
- 17. The <u>Chairman</u> noted that the same question had been raised in the Committee on Technical Barriers to Trade. He proposed that, taking into account the comments made by Japan, the Secretariat hold informal consultations with interested delegations to find a solution that would apply horizontally also to other Agreements concerned and the Committee revert to this matter at its next meeting.
- 18. The Committee so agreed.

G. Date of next Meeting

- 19. The <u>Chairman</u> said that the next meeting of the Committee would normally be held in autumn, the exact date to be established after consultation with delegations. In view of the Decision on Avoidance of Procedural and Institutional Duplication adopted by the Committee, the meeting would be held consecutively with the WTO Committee on Import Licensing.
- 20. The Committee so agreed.