

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Committee on Trade in Industrial Products  
Group 4 - Licensing

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## REPLIES TO THE QUESTIONNAIRE ON LICENSING

### Addendum

### CHAD

#### Outline of systems

1. In Chad, licences are required only for imports from countries outside the franc area. There is in fact only one licensing system, covering the importation of products, goods or raw materials from third countries under an annual (1 April-31 March) import programme. The purpose of the so-called "compensation" licences is to control trade in frontier areas; they are issued only to small local importers, who must first have exported Chad products. They may not exceed CFAF 300,000, and no importer may ask for more than ten in a year.

The importer submits his request for an import permit (licence), accompanied by the supplier's invoice, through an approved intermediary (bank). The attached model shows the kind of information which must be given in the application.

#### - Purposes and coverage of the licensing

2. (See question 1) Ordinary licences are required for the importation of any products, goods or raw materials originating in third countries. The exports which are a condition for the grant of compensation licences may consist only of local products; on the other hand, they make it possible to import any of the products or goods dealt in by small importers.

3. See question 2.

4. The licensing system makes it possible to establish the control over foreign exchange transactions made necessary by the fact that Chad belongs to a monetary area. Actually, the value of exports by Chad to third countries exceeds that of its imports from them and the country is not therefore subject to restriction from that point of view.

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5. Decree No. 112/ET of 14 June 1965, supplemented by Decree No. 201/EFT of 25 June 1969. The body responsible for the licensing system is the regulating authority.

The licensing system is concerned with the origin of the product, not with the product itself.

#### Procedures

6. (a) Each year importers notify the Directorate of the Economy of their foreign exchange requirements for the coming year. The Directorate then draws up a programme, which is referred:

- to representatives of business interests, jointly with responsible officials of the Chamber of Commerce, for their opinion;
- to the Committee on Imports for decision.

Quotas are drawn up on a product basis in French francs, regardless of the currency for which the request has been made. They are then allocated among importers, and the whole of this information is then communicated to the Chamber of Commerce and to the importers.

(b) Quotas are on a yearly basis.

The licence is for six months but is automatically extended for a further six months when it is issued. Extensions beyond one year are rare.

(c) Yes; for instance for flour, which is produced by the Grands Moulins du Tchad. If this concern does not have sufficient wheat, it is authorized to import flour, but this authorization may also be granted to domestic traders. There is a department responsible for checking licences, and it compares licences received back from the customs with the records of licences issued.

Unused quotas are returned to the pool and re-allocated. The Chamber of Commerce publishes the import programme in its monthly bulletin and anyone can obtain this information by this means. The Chamber of Commerce is unlikely to have at its disposal a list of all the export promotion bodies in all third countries.

(d) Immediately after 1 April.

(e) Three days (maximum).

(f) None.

- (g) The Service du Commerce extérieur (Department of Foreign Trade) is alone responsible for receiving applications, deciding on them and issuing licences.
- (h) Each importer has a foreign exchange quota determined by a percentage (see ). As soon as the total amount has been fixed, it is divided up by applying these percentages. If the total of the quota for a given product is insufficient (though this has never happened) the amounts for which importers have applied are therefore reduced in proportion to their percentages.

Applications are examined as and when they are received.

There are three kinds of quotas: a general quota for all products and goods, a specialized quota for certain products marketed by specialist firms, and a textiles quota which is allocated separately owing to the existence of local production.

(a) general quota

Each importer's percentage is determined on the basis of the following factors ascertained by reference to the previous financial year:

- turnover	15 per cent
- imports	45 per cent
- exports	7 per cent
- taxation	8 per cent
- investments	15 per cent
- social security payments	10 per cent

(b) the specialized quota is divided up on the following basis:

- turnover	x 5
- imports	x 3

(c) the importer - percentage is calculated on the basis of the duties and taxes paid for these articles in the previous year.

There is a reserve of 5 per cent for each product, which makes it possible to meet the requirements of new importers.

(i) There are no restrictions on exports, except in the case of compensation licences.

The question of bilateral quotas does not arise in Chad.

(j) See questions 1 and 2.

This is done by the traders themselves.

(k) No.

7. The total value of all products imported from third countries is restricted and is governed by the country's requirements.

8. Provided that there are still quota availabilities in the case of a given product, the only circumstance in which a licence might be refused is when the applicant is not in order vis-à-vis the administration, and even then only in relation to matters connected with his occupation as a trader. As soon as his affairs have been put in order, he is given satisfaction. These matters are settled by the Directorate of the Economy.

Eligibility of importers to apply for licence

9. Yes, provided they hold a trader's licence. In the case of a manufacturer he is entitled to licences for his raw material requirements directly.

There is no registration fee apart from the stamp duty payable for registration in the commercial register. There is no published list of authorized importers.

Documentational and other requirements for application of licence

10. See question 1.

11. Nothing, apart from customs documents.

12. No.

13. ?

Conditions of licensing

14. See questions 6(b) and (c).

15. Yes.

16. No.

17. No.

Other procedural requirements

18. No.

19. As soon as an applicant has been granted a licence, foreign exchange is made available automatically and immediately without further formality.