

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

L/5640/Add.32/Rev.2

30 April 1993

Limited Distribution

Original: English

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

ROMANIA

Revision

The following revised notification has been received from Romania in response to the Questionnaire on Import Licensing Procedures annexed to L/5640/Rev.9. It updates and replaces documents L/5110 and L/5640/Add.32 and Add.32/Rev.1.

Outline of system

1. The import licensing régime in Romania is established by Government Decision No.215/1992¹ (published in Monitorul Oficial No.91/13, May 1992) and Order No.2/1993¹ (published in Monitorul Oficial No.42/25, February 1993) of the Minister of Trade.

According to these regulations, imports into Romania's customs territory are liberalized, and are not subject to import licensing.

Exceptions are provided for:

- goods under quantitative restrictions if import quotas are established;
- goods subject to control régime under international commitments undertaken by Romania regarding non-proliferation of mass destruction weapons and carrying missiles of nuclear, biological and chemical interest, as well as any other goods subject to control according to Government Decision No.215/1992.

¹Available for reference in the Secretariat (Office No. 3013).

Purposes and coverage of licensing

2. The licensing system is based on the following:

- Licences for goods under quantitative restrictions. The Ministry of Trade may establish temporary quantitative restrictions on imports under the following circumstances:
 - in the case of an imminent threat of balance-of-payments deficit or with a view to creating normal foreign exchange reserves;
 - when certain imports, by their quantity or conditions under which they are performed, cause or threaten to cause serious injury to domestic producers of similar or directly competitive goods.

No quantitative restrictions have been established so far.

- Licences for goods subject to import control. According to Government Decision No. 215/1992 and Order No. 2/1993, the following goods are subject to import control:
 - goods listed in Government Decision No. 594/1992 on import and export régime of goods and technologies under control of the final destination, goods under control for reasons related to non-proliferation of mass destruction weapons and carrying missiles, as well as of radioactive materials, nuclear installations and nuclear-related products.
 - goods listed in Annexes Nos. 1 and 2 of the Order No. 2/1993 of the Minister of Trade; these goods are: weapons and ammunition authorized by law, explosives and toxic products authorized by law, drugs and narcotics authorized by law, military equipment authorized by law, renewable wastes of any kind.

Weapons, arms, ammunition, explosives and military equipment (generally defined as "special products") authorized by law are provided for in Government Decision No. 547/11 September 1992 (published in Monitorul Oficial - the Official Gazette - No. 246/1992). For these goods, prior approval of the Government Commission for the Endorsement of Importation and Exportation of Special Products is required.

For renewable wastes, specific regulations were issued by Government Decisions Nos. 340/1992 and 437/1992 on the import régime for wastes and residues of any kind as well as other products hazardous for human health and environment. These regulations stipulate that import of such goods are subject to import licences issued with the prior approval of the Ministry of Rivers, Forests and Environment and the Ministry of Health. (Categories of hazardous products is contained in Annex C¹.)

¹Available for reference in the Secretariat (Office No. 3013).

3. The system is applied on a non-discriminatory basis, irrespective of the country of origin.

4. Except for licences issued in case of quotas (see reply 2), there is no intention to restrict the quantity or value of imports by means of the licensing system or procedures. Several reasons for general control are provided in Article 7 of Government Decision No. 215/1992, e.g., public morality, human life or health, environment and national security protection.

5. The import licensing system is maintained under Government Decision No. 215/1992 and Order No.2/1993 of the Minister of Trade.

Accordingly, import licences are a prerequisite for importation of goods subject to control or in case quotas are established. According to Article 5 of Government Decision No. 215/1992 and Annex 7 (paragraph 11) of Order No. 2/1993, quotas may be established by Order of the Minister of Trade. For goods subject to control for specific reasons (national security, health and environment protection, commitments undertaken by Romania on non-proliferation according to international agreements), separate Government decisions are issued.

Procedures

6. Government Decision No. 215/1992 and Order No. 2/1993 provide for general rules in case non-automatic licences for the administration of quantitative restrictions are introduced. They are the following:

- The imposition of quantitative restrictions on imports, list of goods subject to such restrictions, as well as the period of application of such measures shall be published (Article 8 of Government Decision No. 215/1992 and Article 11 of Order No. 2/1993);
 - Import licences for goods subject to quantitative restrictions shall be issued for such a period of time as to avoid blocking up the utilization of respective quotas, but not exceeding the period of validity of the quota. The period of validity shall be stipulated on the licence.
- I. The value or quantity of quotas, as well as criteria for allocation shall be published according to the provisions of Article 8 of Government Decision No. 215/1992, when a decision to establish quotas is taken. Paragraph 9 of Annex 7, Order No. 2/1993 foresees the following criteria for the allocation of quotas:
- first come, first served;
 - previous performances;
 - organisation of tenders for the distribution of licences.

- II. As no quantitative restrictions on imports have been established so far, there are no provisions with respect to the basis (yearly, six-monthly or quarterly) for issuing licences. Paragraph 5 of Annex 7, Order No. 2/1993 stipulates, as a general rule, that the period of validity for a licence is the end of the calendar year for which it is issued.
- III. There are no provisions yet relating to this specific matter (see reply 6.II).
- IV. There are no provisions yet relating to this specific matter (see reply 6.II).
- V. There are no provisions yet relating to this specific matter (see reply 6.II).
- VI. There are no provisions yet relating to this specific matter (see reply 6.II).
- VII. According to the provisions of Government Decision No. 215/1992 and Order No. 2/1993 of the Minister of Trade, in case of quantitative restrictions, the applications for licences shall be filed only with the Ministry of Trade. There are no other bodies involved in visa, note or prior approval. For goods under control, the issuing of import licences is subject to a prior authorization issued by other Governmental bodies, as follows:
- for radioactive materials and nuclear installations, an import authorization from the Ministry of Rivers, Forests and Environment is required;
 - for goods stipulated in Annex 1 to Order No. 2/1993, compulsory prior approval of the Government Commission for the Endorsement of Importation and Exportation of Special Products is required;
 - for categories of goods stipulated in Annex C to Government Decision No. 340/1992, compulsory prior approval of the Ministry of Health or, as the case may be, of the Ministry of Rivers, Forests and Environment is required.
- VIII. Each economic operator (except the new-comers on the market) can initially receive import licences for 20-30 per cent of the whole quota, taking into account the level of demand and ensuring at the same time tradable quantities. When establishing the 20-30 per cent level previous import performances as well as the actual degree of utilisation of the licences previously requested shall also be considered.
- Each economic operator which is new in the market can initially receive import licences for quantities not exceeding 10 per cent of the whole quota established for the respective product.

For the benefit of new economic operators in the market, a 10 per cent of the whole quota is reserved until 30 June of the calendar year.

IX. There are no cases of bilateral quotas or export restraint agreements where export permits are issued by exporting countries and import licences are also required.

X. There are no such cases (see reply 6.IX).

XI. There are no cases where licences are issued on condition that goods should be exported and not sold in the domestic market, except for goods subject to control for reasons of non-proliferation, certain wastes and "special products".

7. In case no quantitative limit on importation of a product are established, the regulations in force in Romania do not require import licences.

8. Except for goods subject to control for which prior approval is required from the administrative bodies concerned (see reply 2 above), there are no other circumstances to refuse an application for a licence. According to Article 12 of Government Decision No. 215/1992 and paragraph 13 of Annex 7 of Order No. 2/1993, the rejection of an application for import licence has to be justified and is to be communicated to the respective economic operator. The Ministry of Trade shall refuse to issue import licences in the following situations:

- when the applicant is not authorized to carry out foreign trade activities or when his authorization has been cancelled;
- when the quota is already exhausted;
- when the import of the respective goods is prohibited.

Eligibility of importers to apply for licence

9. In case a restrictive licensing system is applied for the administration of quotas, all persons, firms and institutions are eligible to apply for licences on a non-discriminatory basis. For goods subject to control according to Government Decisions Nos. 594, 547, 340 and 437 of 1992, imports are made only by specially authorized economic operators.

Documentational and other requirements for application for licence

10. In case quotas are established, any information or documents required for obtaining import licences shall be published. So far quotas have not been established.

11. Upon actual importation, the following documents are required:

- for importation not subject to import licences, the customs declaration is required;
- for importation subject to import licences, the import licence and customs declaration¹ are required (a sample licence application form is attached in Annex D¹).

12. There is no fee or administrative charge for issuing of licences. A payment of 25 lei per licence application form is required. (On 15 March 1993, the exchange rate was 1 US\$ = 590 lei).

13. There are no deposit or advance payment requirements associated with the issue of licences.

Conditions of licensing

14. The period of validity of licences is to be mentioned at the time quotas are established.

15. As a rule (Article 10 of Government Decision No. 215/1992), the import licence is valid until the end of the calendar year during which it has been granted.

In case of establishing quantitative restrictions, import licences are issued for such a period of time as to avoid blocking up the utilization of respective quotas (Article 11 of Government Decision No. 215/1992).

16. Each import licence is to be used only by the economic operator which applied for it. It cannot be transferred to other economic operators.

17. There are no other conditions attached to the issue of a licence than those already mentioned above (see reply 6.VII).

Other procedural requirements

18. There are no other administrative procedures apart from import licensing and similar procedures required prior to importation.

19. Any economic operator may participate, through the commercial bank with which its account is opened, in the daily currency auctions organized by the National Bank of Romania. The import licence is not required as a condition to obtaining foreign exchange. In general, foreign exchange is available to cover licences issued. It is to be underlined that import

¹Available for reference in the Secretariat (Office No. 3013).

licences are required, so far, only for control reasons, as no quantitative restrictions have so far been established. For obtaining the foreign exchange, proof of the contract concluded with the foreign partner has to be attached to the bidding form.

Note:

In order to enter in counter-purchase transactions or to register transactions in clearing, barter or co-operation accounts, specific requirements are to be met. Imports and exports in free currency may be made with no prescribed conditions.

Commercial transactions with settlement in clearing accounts, barter or co-operation accounts, deals established on the basis of governmental agreements, as well as counter-purchase transactions are subject to a specific form of licence. This licence does not have any link with import or export licences. They are specific transaction licences issued by the Ministry of Trade. These transaction licences are stipulated in Order No. 2/1993 of the Minister of Trade and refer to:

- trade operations settled through clearing accounts, barter or co-operation accounts based on governmental agreements concluded by Romania with the countries listed in Annex 3 of Order No. 2/1993;
- trade operations meant to recover Romania's external due amounts from the countries listed in Annex 4 of Order No. 2/1993;
- transactions carried out on the basis of credits granted or agreed at governmental level;
- counter-purchase transactions concluded at economic operator's level.

These transaction licences are not required for customs clearance of the goods which form the object of the respective transactions; they are used only for banking (accounting) purposes.