

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

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**REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES**

**CANADA**

**Revision**

The following notification has been received from the delegation of Canada in response to the Questionnaire on Import Licensing Procedures annexed to L/5640/Rev.9. The notification updates and replaces information previously provided in document L/5640/Add.10/Rev.4.

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Commodities subject to quantitative restrictions are primarily related to domestic agricultural programmes, measures taken to safeguard domestic producers against injurious imports pursuant to either GATT Article XIX, the Arrangement Regarding International Trade in Textiles (MFA) (e.g. clothing and textiles), or international commitments (e.g. narcotics and endangered species of fauna and flora). In these cases, import permits are required. Other products, although not generally limited as to quantity, are also subject to import control on grounds of public interest, or for surveillance purposes. This is accomplished either through import licensing measures or through certain other formalities at the port of entry.

Import controls are administered by a limited number of government departments. It is not practical, however, to provide a general description of the procedures involved as they vary, in certain particulars, from department to department. Consequently, replies to the questionnaire have been organized according to the different legislative instruments under which import controls are maintained. In the case of the Export and Import Permit Act, general responses in respect of dairy products; turkey, eggs and chicken; and broiler hatching eggs and chicks have been provided for questions 5, 8-10, 12-17 and 19 of the questionnaire. Replies to the remaining questions have been organized by separate product groups owing to difference in the procedures involved. Copies of the applicable Acts and Regulations, including sample forms referred to in the notification, are available in the Secretariat. The notification covers import licensing measures in force as of 31 December 1989.

The following changes were made to the Import Control List which affect the reporting of measures in force at the end of 1989: (a) Coffee was removed from the Import Control List effective 2 November 1989 and (b) Footwear was also removed from the Import Control List effective 30 November 1988.

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## **I - NARCOTIC CONTROL ACT**

### **FOOD AND DRUGS ACT**

#### **OUTLINE OF SYSTEM**

1. The importation into Canada of narcotic, controlled and restricted drugs is subject to import licensing to ensure that dealer's procedures are in conformity with Canada's international obligations (Single Convention on Narcotic Drugs 1961 and Convention on Psychotropic Substances 1981), our domestic regulations, that the importation meets Canadian medical and scientific requirements and that the drugs remain in the legitimate distribution channels. The importation of these drugs is covered by the Food and Drugs Act and its regulations as well as the Narcotic Control Act and its regulations.

#### **PURPOSE AND COVERAGE OF LICENSING**

2. The prospective importers of controlled drugs, (e.g. amphetamine, methamphetamine, barbituric acids), narcotics (e.g. codeine, morphine), and restricted drugs (used only for research, not commercial sale) must submit an application. The application must specify the origin, (exporter's name, his address, and country of import), quantity and type of drug being imported as well as the method of transport or customs port of entry.

Prospective importers of such drugs must be firms domestically licensed to manufacture or distribute specified narcotic, controlled or restricted drugs.

3. The system applies to all narcotic, controlled and restricted drugs from all countries. Imports of narcotics are made only from countries which are party to the International Narcotic Convention of the United Nations, to which Canada is a signatory.

4. The licensing is intended to ensure that the quantity of drugs imported does not exceed Canadian medical or scientific needs and that Canada is able to comply with its International commitments.

5. The Narcotic Control Act and its Regulations and the Food and Drugs Act (Parts III and IV) and its Regulations make it mandatory to obtain a permit before importing or exporting a narcotic, a controlled or a restricted drug.

#### **PROCEDURES**

6. I. Allocations of quotas for narcotics are published by the United Nations and this information is provided to dealers upon request. Any nation exporting these drugs has Canadian quotas provided to it through the United Nations International Narcotic Control Board.

Canada does not allocate a specific quantity to any country.

II. The quotas for narcotics are allocated annually in accordance with the requirements of the United Nations International Narcotic Control Board.

III. Permits to import controlled and restricted drugs are issued to resident licensed dealers only. Licensed dealers are required to inform the Bureau of Dangerous Drugs when an importation took place and the quantity imported. Unused portions of permits and cancellation of permits

are added back to the unused portion of the quota for the year. The names of the importers are not published for confidentiality and security reasons.

IV. All narcotic quotas are on a calendar year basis and an application may be made at any time during the year.

V. Import permits are issued within ten working days of receipt of application. In the case of a narcotic, the same length of time applies provided the Canadian quota has not been utilized for the calendar year.

VI. Permits are issued for immediate importation except when a dealer has indicated that he wishes to import in the following calendar year. In this case the permit becomes valid 1 January. All permits are valid for three months from the date of issue with none extending beyond 31 December of the year in which the permit is granted.

VII. All applications to import narcotics, controlled and restrictive drugs are reviewed by the Bureau of Dangerous Drugs, Department of National Health and Welfare, and the import permits are issued by this Bureau on the authority of the Minister of the Department of National Health and Welfare.

VIII. Permits are issued to licensed manufacturers and distributors on a first-come-first-served and past performance basis. There is no maximum amount allocated per applicant and the applications are examined on receipt.

IX. Under Canadian law and the international estimate system of the International Narcotics Control Board of the United Nations, the narcotic, controlled and restricted drugs requiring an import permit are also covered by an export permit issued by the narcotics authorities of the exporting country.

X. Not applicable.

XI. No import permits are issued on condition that drugs be exported and not sold on the Canadian market.

7. (a) The importer of controlled and restricted drugs possessing a manufacturer's or distributor's licence for that drug is usually issued an import permit within ten working days of receipt of the application. It is effective immediately.

(b) All permits are granted within ten working days of receipt of application if there is a legitimate medical or scientific need and, if the product is narcotic, the Canadian narcotic quota has not been exceeded.

(c) No. All Permits are valid for three months from the date of issue and none extend beyond 31 December of the year in which they were issued. Permits issued in November are valid until 31 December only.

(d) The Bureau of Dangerous Drugs, Health Protection Branch, Department of National Health and Welfare is the only group which the importer need contact.

8. An application for an import permit can be refused if a company is not licensed, if the product is not currently on the licence, if there is an insufficient narcotic quota remaining, if there has been non-compliance with the Acts and Regulations by the importer or if there is reason to suspect that there will be diversion of the drug to an illicit market. Reasons are given for refusing permits.

**ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Permits to import or export narcotic, controlled or restricted drugs are limited to the companies licensed to manufacture or distribute the drug in Canada. A list of such companies is published at least once each year and revisions more frequently. There is no fee attached to the permits. However, there is a fee and requirements to be licensed.

**DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

- 10. Applications for permit to import narcotic and controlled drugs.<sup>1</sup>
- 11. Canadian import permits and in most cases export permits from the exporting country.
- 12. No.
- 13. No.

**CONDITIONS OF LICENSING**

- 14. Three months. It may be extended upon application.
- 15. No.
- 16. No.
- 17. (a) No.  
(b) No.

N.B. If value exceeds \$4 million R.C.M.P. has to be advised. If permit is issued for the following year, the statement is placed on the permit.

**OTHER PROCEDURAL REQUIREMENTS**

- 18. No, provided the company is currently licensed to manufacture or distribute such drugs and can provide the security necessary to store the drug.
- 19. Not applicable.

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<sup>1</sup>Sample application forms are available for reference in the Secretariat.

## **II - EXPLOSIVES ACT**

### **EXPLOSIVES**

#### **OUTLINE OF SYSTEM**

1. The importation of explosives is governed by the Explosives Act and Regulations administered by the Department of Natural Resources. The legal definition of explosives includes blasting explosives, detonators, propellants, sporting and industrial cartridges, and all types of fireworks and pyrotechnic devices. Before an explosive may be imported it must be declared an authorized explosive by the Chief Inspector of Explosives appointed under the Explosives Act. The process of authorizing an explosive consists of the manufacturer submitting data on the nature and composition of the explosive and on its packaging and markings. Samples are usually required for laboratory examination. A standard testing fee of \$175.00 for fireworks or ammunition and \$500.00 for blasting explosives and accessories apply. The criteria for authorization are based on the safety characteristics of the explosive substances or articles during handling, storage, transport and use, and to confirm that the classification is in conformity with the recommendations of the Committee of Experts on the Transport of Dangerous Goods as adopted by the Economic and Social Council (ECOSOC) of the United Nations.

#### **PURPOSE AND COVERAGE OF LICENSING**

2. Once an explosive is authorized, any person may import it into Canada provided he has the proper storage facilities for the type and quantity of explosives in question. Two kinds of importation permits are issued; a general permit issued for a specific quantity in one shipment, and an annual permit issued for unlimited shipments during a twelve month period. In addition, special permits may be issued for explosives required for chemical analysis, scientific research, field testing and fireworks competitions or other special purposes.

3. The system applies to explosives from all countries.

4. The system is intended only to ensure that the same degree of safety exists with imported explosives as with those of domestic manufacture. There is no intent whatsoever to restrict quantity or value of the explosives imported.

5. The Explosives Act, R.S., c. E-17 amended by 1993 c.32 and the Explosives Regulations, C.P.C., c. 599 as amended. The system is a statutory requirement which does not convey any administrative discretion and would require legislative approval to be abolished.

#### **PROCEDURES**

6. Not applicable.

7. (a) The import permit is normally issued within twenty-four hours after receipt of the application if the explosive has been previously authorized and facilities exist in Canada for the safe and secure storage of the quantity being imported. Permits may be obtained in a shorter time but nevertheless should be on hand when shipment arrives at Customs to prevent dangerous accumulations. Naturally, delays will occur if the explosive has not been authorized previously.

- (b) Permits may be granted immediately on request provided all is in order.
  - (c) There are no limitations as to the period of the year during which an application for an importation permit may be made.
  - (d) The importer need only approach the Explosives Branch of the Department of Natural Resources. No other administrative organs are involved.
8. An application for an explosives importation permit may only be refused for failure to meet safety criteria. Reasons for such refusal would be given to the applicant who would have the right of appeal to the Minister of Natural Resources under subsection 17 of the Explosives Act.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Any importer who has satisfied the requirements of the Explosives Regulations relative to the storage, sale, purchase and possession, and of the Transportation of Dangerous Goods Regulations relative to transport, of the explosive to be imported may apply for an importation permit.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. The Forms of application and permits to import explosives are included in Schedule II Forms 13 to 17 inclusive of the Explosives Regulations.<sup>1</sup>
11. The importers Transmission Schedule (Form 16) is required to be prepared in duplicate by the importer and presented to the Customs Officer at the point of entry along with the Importation Permit (Form 14 for General, Form 17 for Annual) for verification and forwarding of one copy of the transmission schedule to the Explosives Branch of the Department of Natural Resources.
12. The present fee for a twelve month term is \$30.00 for a General Importation Permit and \$100.00 for an Annual Importation Permit. Where the period of validity of the Annual Importation Permit is less or more than twelve months, the fee is prorated. The \$30.00 fee for General Importation Permits is fixed regardless of the period of validity.
13. Other than the fee, there is no deposit or advance payment associated with the issuance of an importation permit.

#### **CONDITIONS OF LICENSING**

14. General Explosives Importation Permits are valid for one importation or a period of twelve months. Annual Explosives Importation Permits are valid for any number of importations during a period of twelve months.
15. There is no penalty for the non-utilization of an explosives importation permit.

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<sup>1</sup>An Office Consolidation of the Explosives Act and Explosives Regulations with amendments is available for reference in the Secretariat.

16. Permits are not transferable between importers and only the products made by the manufacturer may be imported.

17. There are no conditions attached to the issuance of an explosives importation permit relative to quantitative restrictions other than safe and secure storage location in Canada.

### **OTHER PROCEDURAL REQUIREMENTS**

18. There is a requirement to have the explosive authorized and possibly tested, prior to applying for importation.

19. Not applicable.

## **III - ATOMIC ENERGY CONTROL ACT**

### **(PRESCRIBED SUBSTANCES)**

### **OUTLINE OF SYSTEM**

1. The Atomic Energy Control Board has established a strict control system for the import, export, possession and use of prescribed substances. Under this system, any person or organization proposing to deal in prescribed substances in Canada, in excess of exempt quantities, must apply to the Board, giving details of the prescribed substance and quantity requested, the proposed use, the facilities and protection equipment available and the experience of the user. When satisfied that the use will not impose an undue risk to health, safety, security and the environment, the Board issues a licence authorizing the applicant to possess and use the prescribed substance subject to any conditions which the Board deems necessary.

In addition to obtaining this authorization to possess and use prescribed substances, any person or organization wishing to import any quantity of a prescribed substance must, pursuant to section 5(1) of the Regulations under the Atomic Energy Control Act, obtain an import licence.

### **PURPOSE AND COVERAGE OF LICENSING**

2. Section 5(1) of the Atomic Energy Control Regulations refers to importation into Canada of any prescribed substance. Prescribed substances include uranium, thorium, plutonium deuterium, their respective derivatives and compounds, and radioactive isotopes of all elements and any substances containing such isotopes.

3. This licensing system applies to prescribed substances from all countries.

4. The import licence is intended to ensure that the prescribed substance is destined to a person or organization authorized and equipped to use the prescribed substances safely and to effect government policy regarding such imports.

5. Import licensing is provided for by the Atomic Energy Control Act and regulations made thereunder. Licensing procedures and the product coverage of the licensing requirements are prescribed



by regulation. The licensing system cannot be abolished without the approval of the Governor-General in Council.

6. Quantity and value restrictions do not apply to imports of prescribed substances except as may from time to time be determined by Government Policy.

7. (a)&(b) The application for a licence to import a quantity of a prescribed substance in excess of an exempt quantity can be approved only if the importer is authorized by the Board to possess the prescribed substance.

An import licence is normally issued within one month of receipt of the application and can be issued in a shorter time if necessary.

(c) No.

(d) The Atomic Energy Control Board is the only body authorized to issue an import licence. Applications are made directly to the Board.

8. The Board may refuse to issue a licence or revoke, suspend, or amend the terms and conditions of a licence for reasons of health, safety or security. The holder of the affected licence has the right to be heard by the Board.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. All Canadian residents or organisations registered in Canada are eligible to apply for a licence.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. A sample application form to apply for licence to import uranium, thorium, plutonium other radioactive isotopes and deuterium is available for reference in the Secretariat.

11. Approved import licence or a copy thereof.

12. No.

13. No.

#### **CONDITIONS OF LICENSING**

14. The period of validity depends on the nature of the import and is normally 1 or 2 years. The validity of a licence may be extended upon receipt of a written request.

15. No.

16. No.

17. No.

## **OTHER PROCEDURAL REQUIREMENTS**

18. No.
19. Not applicable.

## **IV. PLANT PROTECTION ACT**

### **OUTLINE OF SYSTEM**

1. A "Permit to Import", outlining the plant health conditions that must be met before such things as plants, plant parts and plant products may be imported, is a requirement.

### **PURPOSE AND COVERAGE OF LICENSING**

2. Under Sections 4 and 5 of the Plant Quarantine Regulations and pursuant to the Plant Protection Act, the prospective importer must apply in writing for an import permit for the importation of plants, plant parts and any other matter that is a plant pest, is infested or likely to be infested with a plant pest or that constitutes or could constitute a biological obstacle to the control of a plant pest. The permit is required for each source or exporter of the regulated products.
3. The system applies to plants, plant products and other matter from all countries.
4. The permit system is intended to ensure that plants, plant parts and plant products imported conform with Canada's plant protection import requirements.
5. The Plant Protection Act and the Plant Quarantine Regulations.  
Yes. No. No.

### **PROCEDURES**

6. I. The requirement for a permit is stipulated in the Plant Quarantine Regulations. Information pertaining to permits is found in information pamphlets which are available to the public. Permit requirements are communicated to all foreign governments and trade associations in the form of letters or Directives.
- II. No such thing as quota. Restricted items are permitted entry into Canada under the conditions specified on the import permit. Generally, permits are renewed every three years.
- III. Not applicable.
- IV. Not applicable.
- V. Once the application is received by the Plant Protection Division in Ottawa, it generally takes 5-10 days.
- VI. Not applicable.

VII. Yes. The single administrative organ is the Plant Protection Division. The importer does not have to approach more than one administrative organ to obtain a plant protection import permit.

VIII. Not applicable.

IX. Not applicable.

X. Not applicable.

XI. No.

7. (a) A permit must be issued prior to importation. Permit office prefers to have four weeks' notice. Yet, in emergency situations, a facsimile may be accepted as an application and the permit may be issued as soon as possible.

(b) No. An application must be made in writing and processed through the proper channels.

(c) No.

(d) Yes.

8. The plant protection import permit may be refused on grounds that the material intended for import poses, or could pose, a threat of introducing into Canada a plant pest of economic importance. The importer is advised of the reasons for any refusal; these are based on biological factors.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Any resident of Canada may apply for a permit to import.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR A PERMIT TO IMPORT**

10. Information required on application:

- the name and address of the person shipping the pest, plant or other matter and the person to whom it is being shipped;
- the name (Common and Latin) or a description of the pest, plant or other matter;
- the purpose for which the pest, plant or other matter is to be admitted into Canada;
- the place at which the pest, plant or other matter will enter Canada and its destination within Canada;
- the means by which the pest, plant or other matter will be transported and the precautions that will be taken to prevent the spreading of any pest while being transported;
- the place where the pest, plant or other matter was propagated, produced or obtained.

11. The documents specified on the permit (e.g., phytosanitary certificate, certificate of inspection, certificate of treatment, certificate of origin, affidavit, etc.) are required upon importation.

12. No.

13. No.

#### **CONDITIONS OF PERMIT**

14. The permit is generally valid for three years from date of issuance unless otherwise stated on the permit, where it may be valid for a shorter period. The permit may be valid for one or multiple importations. When a permit is no longer valid, the person must re-apply for a permit.

15. No.

16. No.

17. Conditions may be stated on permit depending on the nature of the imported goods and/or their origin.

#### **OTHER PROCEDURAL REQUIREMENTS**

18. No.

19. Not applicable.

### **V - HEALTH OF ANIMALS ACT**

#### **LIVE ANIMALS, ANIMAL PRODUCTS, BIRDS AND VETERINARY BIOLOGICS**

#### **OUTLINE OF SYSTEM**

1. For importation from countries other than the U.S., a permit is required for all animals (except domesticated dogs and cats), semen, birds, veterinary biologics and certain animal products depending on the species and country of origin. For importation from the U.S., a permit is required for the following: Semen, embryos, veterinary biologics, psittacine birds, turtles, tortoises, skunks, foxes, ferrets and raccoons.

#### **PURPOSE AND COVERAGE OF LICENSING**

2. See No.1 above.

3. Imports are permitted only from countries which are free of serious animal diseases which may affect the species of animal or bird imported. However, certain animal products may be imported from countries that are not free of these diseases under an import permit. The movement of most live animals between Canada and the United States is exempted from this requirement because of the relatively

disease-free status of the two countries and on the basis of an agreement with respect to certification procedures between the veterinary services of Canada and the U.S.

4. The permit system is intended to ensure that all items identified in No.1 are imported in conformity with Canada's sanitary health regulations. Decisions are made following a risk assessment process.

5. The Health of Animals Act and Regulations thereunder. Goods, products and animals requiring permits are specified (see No.1). There is no authority to waive regulations.

## **PROCEDURES**

6. There is provision for the importation of certain food products to a maximum amount for sample purposes only under approved conditions. Dealt with as received.

7. (a) In the case of live animals, animal semen, or animal products, an import permit must be issued prior to the importation and the permit describes the conditions of importation as it relates to health certification. On arrival at the port of entry in Canada:

(i) live animals receive veterinary inspection and the accompanying permit and health certification are inspected to assure that import requirements are met, and

(ii) in the case of animal semen and animal products, the permit and health certification are checked.

In the case of biologics, production protocols for each product must be submitted and approved prior to the issuance of the permit. They are examined and reviewed to assure the product is safe, free from contaminants and that the label meets all requirements.

(b) In most cases where permit conditions exist, a permit can be issued as quickly as the documentation can be processed.

(c) No.

(d) Food Production and Inspection Branch, Department of Agriculture.

8. We do refuse to issue import permits on some occasions. Examples of these are:

(a) When the disease status of a country does not meet minimum criteria, a permit will be refused.

(b) When a country does not have a satisfactory disease diagnosis capability or disease control organization, a permit may be refused.

(c) Agriculture Canada has agreed to refuse to issue import permits for certain species of animals because of the risk of zoonosis. Examples are primates, turtles, tortoises, foxes, skunks, raccoons and ferrets for purposes other than exhibition in zoos or for research purposes. This agreement is with Health and Welfare since they do not have regulatory authority under their own Act and Regulations.

The reasons for refusal are given to the applicant. There is no formal right of appeal but we are prepared to examine special situations that the importer may present.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Any resident of Canada or company registered in Canada.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR A PERMIT TO IMPORT**

10. Application must be made in writing, and must specify the species, quantities, date of arrival, country of origin and purposes of import.<sup>1</sup>

11. In addition to the Permit to Import Animals and the normal customs invoices, a certificate of health issued by the veterinary services of the country of origin must accompany the shipment. For animal products, notarized declarations from the exporter and/or importer may also be required.

12. No.

13. No.

#### **CONDITIONS OF LICENSING**

14. Usually three months but will often vary depending on the species of animal and the purpose of importation. Yes, upon request by the importer. For animal products, permits are valid for three years.

15. No.

16. No.

17. See No. 6.

#### **OTHER PROCEDURAL REQUIREMENTS**

18. No.

19. Not applicable.

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<sup>1</sup>A sample application form is available for reference in the Secretariat.

## **VI - CANADIAN WHEAT BOARD ACT**

### **GRAINS**

#### **OUTLINE OF SYSTEM**

1. The importation into Canada of wheat, barley and certain grain products is subject to import control pursuant to Part IV of the Canadian Wheat Board (CWB) Act and the regulations thereunder depending on the supply situation.

#### **PURPOSE AND COVERAGE OF LICENSING**

2. The CWB Act prohibits any person, other than the Board except if permitted under the regulations, from importing into Canada wheat or wheat products owned by a person other than the Board. This provision extends by regulations to include barley and barley products. Wheat and barley products include screenings and all substances produced by processing and manufacturing wheat and barley that contain more than 25 per cent by weight of those grains (such as wheat starch and gluten, and crimped barley and barley meal). An import licensing requirement for oats and oat products was rescinded as of 1 August 1989. Import licensing requirements for wheat and wheat products originating in the U.S. were removed as of 10 May 1991 pursuant to Article 705.1 of the Canada/United States Trade Agreement.

3. The system applies to grains coming from all countries with the exception of wheat originating in the U.S.

4. The import control is intended to restrict the quantity imported for orderly marketing and distribution of Canadian grains. No alternative methods have been considered.

5. The licensing requirements are maintained under the CWB Act and the regulations thereunder. The licensing is statutorily required for wheat and wheat products and is extended by regulations to include barley and its products. Effective 23 January 1986, responsibility for issuing licences for the importation of barley and barley products was transferred from the CWB to the Department of External Affairs.

#### **PROCEDURES**

6. I-IV. Information on import licensing procedures for wheat and wheat products is published in the Canada Gazette. It is also available from collectors of Customs and Excise at Canadian Customs ports of entry and from the CWB. The Department of External Affairs has issued notices to importers outlining the import procedures for barley and barley products.

Canada is a major producer and exporter of wheat and barley and products thereof. However, if it appeared that domestic supplies of any of these commodities at market prices were inadequate and applications for import permits have been received, the CWB would assess the supply situation and decide whether a permit should be granted. Alternately, the Board, even in the absence of

applications, may decide that imports are necessary and would advise the trade that applications for import permits would be entertained.<sup>1</sup>

Information on number of licences issued and volume of imports is available from the CWB in the case of wheat and wheat products and from the Department of External Affairs in the case of barley and barley products.

V. Permits are issued immediately provided that the application is in order.

VI. Import licences for wheat and wheat products are effective upon issuance and are valid for 45 days. For barley, the validity of the licence is 30 days (5 days prior to the importation and 24 days following, plus the day of importation); licences may be requested 30 days prior to the expected date of importation.

VII. Consideration of licence applications is conducted by a single administrative organ, the CWB for wheat and wheat products and the Department of External Affairs for barley and barley products.

VIII. Quotas are allocated and licences granted on the basis of the market situation in Canada at the time. Licences are normally issued on a first come, first served basis. New importers are treated in the same manner as previous importers. Applications are examined upon receipt.

IX. Not applicable.

X. Not applicable.

XI. No.

7. Not applicable.

8. Not applicable.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Any Canadian resident, firm or institution.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. The prospective importer must specify the value, weight, quantity, description and origin of the goods including the port of entry.

11. The import licence with the usual Customs invoices.

12. No.

13. No.

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<sup>1</sup>A sample application form is available for reference in the Secretariat. The requirement for an import licence for oats was rescinded as of 1 August 1989.



**CONDITIONS OF LICENSING**

14. Licences are normally valid for 45 days for wheat and wheat products and 30 days for barley and barley products. If an extension is required, new licences are issued.

15. No.

16. No.

17. No.

**OTHER PROCEDURAL REQUIREMENTS**

18. No.

19. Not applicable.

**VII - NATIONAL ENERGY BOARD ACT****SECTION A: NATURAL GAS AND ETHANE****OUTLINE OF SYSTEM**

1. The national energy Board Act and the Part VI Regulations made thereunder control imports of natural gas by pipeline, railway tank cars and tank trucks or tankers. Imports are authorized by both licences and orders. Licences are issued for large volume and long-term imports while orders are used in the case of small volume and emergency and short-term imports. An application is made to the Board for import authorization. In the case of a licence, the application will be set down for a public hearing. No licence is effective until approved by the Governor-in-Council. The issuance of an import order requires the approval of the Board and does not require a public hearing.

**PURPOSES AND COVERAGE OF LICENSING**

2. The term of any import licence cannot exceed twenty-five years. Imports of natural gas by orders are restricted to 24 months.

3. The system described applies to gas originating in and coming from any country. In practice, however, all imports of natural gas have, to date, been from the United States.

4. The purpose of licensing is to ensure that long-term imports of gas are in the public interest, having regard to the equitable distribution of gas in Canada.

5. The authorization of imports is maintained under the National Energy Board Act, a statute of the Parliament of Canada, and the National Energy Board Part VI Regulations. The term "natural gas" is defined in the Act and is not subjected to administrative discretion. Legislative action would be required to abolish the system.

## **PROCEDURES**

6. I.-IV. There is no quota system. Determinations are made on a case-by-case basis by assessing the impact on Canadians of the proposed import, i.e., impact on gas industry, consumer cost, distribution of gas in Canada, etc.

V. For processing applications a public hearing is required. The length of time is approximately one to four months or longer. Applications for emergency and short-term imports can be approved immediately.

VI. In some cases, imports commence immediately upon issuance of the authorization, or, depending on the requirements of the import arrangement, there may be some interval between the authorization and the commencement of the import.

VII. The prospective importer has to approach one administrative organ only, the National Energy Board. However, licences for imports (more than 24 months) require the approval of the Governor-in-Council to take effect.

VIII. Applications are examined on receipt. There is no allocation of import authorizations to applicants.

IX. There are no applicable bilateral arrangements besides the Canada - U.S. Free Trade Agreement.

X. The granting of import authorization would be conditional on an export authorization being granted by the appropriate foreign government agency.

7. (a) Application for a licence should be made in advance of importation by a reasonable length of time, depending on the size and complexity of the importation arrangement.

(b) An order can be granted immediately by the Board. A licence requires that a public hearing be held.

(c) There are no limitations as to the period of the year during which application for import authorization may be made.

(d) See response to VII above.

8. An application for a licence may be refused for failure to meet criteria set out in the Part VI Regulations including a failure to consider alternative domestic supplies, etc., or where the import is not in the public interest. An applicant, in the event of refusal to issue a licence, may resubmit his application with appropriate amendments to the National Energy Board or may request a review. Appeal can be made to the Federal Court of appeal on a question of law or jurisdiction, on leave being obtained from the Court.

## **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Any person is eligible to apply for authorization.

**DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. The National Energy Board must have regard to all considerations that appear to it to be relevant and shall have regard to the equitable distribution of gas in Canada. The Governor-in-Council may make regulations respecting the information to be furnished by applicants and the procedures to be followed in applying for import authorization. Section 5 of the Part VI Regulations entitled "Information to be Furnished by Applicant for Licence to Import Gas" sets out the information required to be filed by an applicant for a licence to import gas. In addition, the National Energy Board may require further information. With respect to import orders, applicants must file such information as the National Energy Board may require. However, no specific information requirements for order applications are set out in the Act or in the Part VI Regulations.

11. No documents are required upon actual importation. However, the holder of an import authorization is required to provide the National Energy Board with information regarding the actual volumes imported during the term of the authorization.

12. There is no fee or administrative charge in respect of an application at present.

13. There is no deposit or advance payment requirement associated with the issue of the import authorization.

**CONDITIONS OF LICENSING**

14. No import licence may be issued for a term in excess of 25 years. The validity of a licence cannot be extended beyond this period without an amendment to the Act by Parliament.

15. There is no penalty for the non-utilization of a licence or a portion of a licence. Licences are permissive only.

17. Conditions attached to the issue of a licence would normally include installation of metering, inspection and reporting, subject to requirements established by the Board.

**OTHER PROCEDURAL REQUIREMENTS**

18. Apart from procedures defined in the Regulations made pursuant to the Act, no additional administrative procedures are required.

19. Not applicable.

**VIII - EXPORT AND IMPORT PERMITS ACT****GENERAL RESPONSES (APPLICABLE TO DAIRY PRODUCTS;  
TURKEY, EGGS AND CHICKEN; AND BROILER HATCHING EGGS AND CHICKS)**

**NOTE:** On 1 January 1979, a computerized import permit issuing system was introduced and is now fully operational for all products, except endangered species of wild fauna and flora. This system, based upon the concept of single shipment permits, is effected through the use of computer terminals located in all major centres across Canada.

## **PURPOSE AND COVERAGE OF LICENSING**

5. - Licensing is effected by regulations under the Export and Import Permits Act.
- Individual products are not designated in the Act.
- An Import Control List has been established by the Governor-in-Council which includes any article, the import of which he deems it necessary to control for any of the following purposes, namely:
- (1) - to ensure, in accordance with the needs of Canada, the best possible supply and distribution of an article that is scarce in world markets or is subject to government controls in the countries of origin or to allocation by inter-governmental arrangement;
- to restrict, for the purposes of supporting any action taken under the Farm Products Marketing Agencies Act, the importation in any form of a like article to one produced or marketed in Canada the quantities of which are fixed or determined under the Act;
- to restrict, for the purpose of supporting any action under the Meat Import Act, the importation of products to which the Act applies;
- to implement any action taken under the Agricultural Stabilization Act, the Fisheries Prices Support Act, the Agricultural Products Co-operative Marketing Act, the Agricultural Products Board Act or the Canadian Dairy Commission Act, with the object or the effect of supporting the price of the article;
- to implement an intergovernmental arrangement or commitment;
- (2) - where at any time it appears to the satisfaction of the Governor-in-Council on a report of the Minister made pursuant to an inquiry made under section 20 or 26 of the Canadian International Trade Tribunal Act by the Canadian International Trade Tribunal in respect of any goods, that goods of any kind are being imported or are likely to be imported into Canada at such prices, in such quantities and under such conditions as to cause or threaten serious injury to the production in Canada of like or directly competitive goods, any goods of the same kind may, by order of the Governor-in-Council, be included on the Import Control List in order to limit the importation of such goods to the extent and for the period that, in the opinion of the Governor-in-Council, is necessary to prevent or remedy the injury.
- Once an item has been placed on the Import Control List, a permit either individual or general, is required by the Act to import such goods into Canada.
- Specific products can be made subject to either individual licensing or open general licensing by the Secretary of State for External Affairs.
- This licensing system may be abolished by the Governor-in-Council by removing the items from the Import Control List. Only Parliament can alter or amend the Export and Import Permits Act.

## **PROCEDURES**

8. Applications which meet the general requirements are not normally refused. If criteria have not been met (e.g. no valid import licence, no quota entitlement) the applicant will be informed; in such event the applicant may request reconsideration by the Secretary of State for External Affairs.

## **ELIGIBILITY OF IMPORTERS TO APPLY FOR PERMIT**

9. Any resident of Canada may apply for a permit. Citizenship is not a criterion.

## **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. The applicant is required to provide the information requested on the application for import permit form.<sup>1</sup> For certain products, additional information and/or documentation may be required, as indicated in the specific product group responses.

12. Any applicant may apply for a permit in Ottawa, for which there is a fee of \$15.00, but for permits issued at other computer terminals, there is a fee of \$10.00 or more to cover costs of additional service.

13. Import permits have a validity of 30 days which may be extended, provided the request for extension is made prior to the original expiry date, by a simple amendment to the permit. Otherwise if the permit has not been used, the importer may apply for its cancellation and the issue of a new permit upon presentation of unused permit.

## **CONDITIONS OF LICENSING**

14. There is no penalty for non-utilization of an import permit.

15. Permits are not transferable between importers.

16. Under very particular circumstances, special conditions may be attached from time to time (e.g. see responses to 6(XI)).

17. Not applicable.

## **OTHER PROCEDURAL REQUIREMENTS**

19. Not applicable.

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<sup>1</sup>A sample application form is available for reference in the Secretariat.

## **OTHER RESPONSES - BY PRODUCT GROUPS**

### **(1) CLOTHING & HANDBAGS**

#### **OUTLINE OF SYSTEM**

1. Specified clothing products are included on the Import Control List established under the Export and Import Permits Act pursuant to negotiated bilateral export restraint arrangements, and are subject to either individual import licensing or general licensing.

#### **PURPOSES AND COVERAGE OF LICENSING**

2. Clothing products on the Import Control List and subject to individual import permits are: work gloves; outerwear garments; hosiery; pants; blouses and ladies' shirts; pyjamas and sleepwear; raincoats; sportswear; foundation garments; swimwear; underwear; topcoats and overcoats; men's and boys' structured suits and jackets; leather coats; men's and boys' shirts; and sweaters. All clothing products, with the exception of work gloves, and hosiery, are allowed entry into Canada under open general permits if (a) the value for duty, as determined under the Customs Act, of each importation of the goods is not more than \$500.00; or (b) where the importation of the goods has a value for duty, as determined under the Customs Act, of more than \$500.00, the number of units of the goods to be imported does not exceed twelve. Imports of hosiery are allowed entry into Canada under open general permit where they are imported for personal use of the importer, as gifts, or a bona fide commercial samples and where their value does not exceed \$500.00. Imports of work gloves are allowed entry into Canada under open general permit where they are imported for the personal use of the importer or as gifts and the importation does not exceed 12 pairs or where they are bona fide commercial samples and the importation does not exceed 144 pairs.

4. The licensing system is being used to implement restraint arrangements negotiated under the Arrangement Regarding International Trade in Textiles (Multi-Fibre Arrangement), to administer restraints imposed by Canada unilaterally according to Article 3 of the MFA, and for surveillance purposes in order to fulfil Canada's obligations under the MFA and its bilateral obligations to those trading partners with whom restraints have been negotiated. General Canadian custom clearance is not yet fully computerized and in view of the significant number of ports of entry, the surveillance required could not be achieved without the licensing system.

5. Export and Import Permits Act provides for the establishment of an Import Control List to implement an intergovernmental arrangement. Import permits may be issued to import goods including clothing items on the Import Control List.

#### **PROCEDURES**

6. **NOTE:** Quantitative restrictions on clothing products and handbags are established in accordance either with bilateral export restraint arrangements negotiated under the MFA or imposed unilaterally according to the MFA. In the case of bilaterally negotiated restraints, administration is maintained in the exporting source. For these agreements, the Canadian import licensing system is a back-to-back licensing system with that of the exporting sources. Canadian import permits are issued on a single shipment basis to the holders of valid export licences from the exporting authorities.

In the case of restraints imposed unilaterally by Canada, administration is maintained by Canada. Quota is allocated to Canadian importers and permits are issued not on the basis of the holding of an export licence issued by the exporting source, but on whether the importer has sufficient quota remaining to cover the permit application. Imports entering under unilaterally imposed restraints would account for well less than 1 per cent of total clothing and handbag imports.

I. Information on restraints and formalities is published in the Canada Gazette, in press releases and in notices to importers distributed to associations and traders, and, upon request, from the Department of External Affairs.

- When the authorities in the exporting source are responsible for administration of the restraint, information is available from the appropriate body in that source.
- In addition to the above, overall amounts and the amount allocated to goods from each country are also available from the Department of External Affairs.
- In the case of restraints imposed unilaterally by Canada, the maximum amount allocated to each importer is not published. Canada generally allocates quota in these cases on the basis of historical performance in importing the currently restrained product from the restrained source. It is therefore based on commercially sensitive information and, for confidentiality reasons, is not published.

II. See NOTE above.

- Canadian import permits are issued on a single shipment basis to the holders of valid export licences from the exporting authorities. In the case of unilaterally imposed restraints, import permits are issued on a single shipment basis upon confirmation that the importer has sufficient quota remaining to cover the shipment.

III. See NOTE above.

- This question only applies to situations where Canada has imposed a restraint unilaterally. In general, quota is allocated to companies with historical performance in importing the currently restrained product from the restrained source. There are no steps taken to ensure that permits allocated are actually used and because unilaterally imposed quotas generally cover a restraint period of one year, there is no provision for adding unused quotas to succeeding periods. Because commercially sensitive information is used to determine quota allocations, the names of the quota holders are not provided to the exporting country.

IV. Import permits are issued on a single shipment basis and may be applied for within 30 days prior to the arrival of the goods, or any time after their arrival.

V. Import permits are available immediately at numerous computer terminals across Canada provided that proper documentation from the exporting source is presented.

VI. See response to 6(IV).

VII. Permit applications are considered by only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

VIII. See NOTE above.

- This question only applies to situations where Canada has imposed a restraint unilaterally. In general, allocation of quota is based on historical performance (as described above). In some cases, a portion of the quota (10 per cent) is reserved for new entrants.

IX. Yes. Import licences are issued back-to-back with the export permit.

X. Not applicable.

XI. There are provisions of this type in the bilateral arrangements in order that such transshipments are not counted against the negotiated restraint levels.

7. (a) Import permits for goods subject to surveillance only can be applied for 30 days prior to the expected date of arrival or at any time after arrival.

(b) A permit is normally granted immediately upon request.

(c) See response to 7(a).

(d) Permit applications are considered by only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

8. Import permits are not normally refused if the criteria relating to issuance is met. If a permit is refused, for example, because of incomplete information on the application, the applicant is advised and given the opportunity to correct the anomaly.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Import permits may be issued only to Canadian residents, whether persons, firms or institutions. Importers eligible to receive import permits are registered with the Export and Import Permits Bureau without charge. This registration is for administrative purposes only related to the use of a computerized permit delivery system. The names of registered importers are made available on request.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. See NOTE on question (6) for additional information required to that prescribed in the application for import permit form.

11. Import permits and normal customs entry forms are required.

12. Any applicant may apply for permit in Ottawa, for which there is a fee of \$15.00, but for permits issued at other computer terminals there is a fee of \$10.00 or more to cover costs of additional service.

13. No.

#### **CONDITIONS OF LICENSING**

14. A permit is valid for 30 days, and may be extended for a further 30 days if the request for extension is submitted prior to expiry.



- 15. No.
- 16. Licences are not transferable.
- 17. (a) No.  
(b) No.

#### **OTHER PROCEDURAL REQUIREMENTS**

- 18. See NOTE on question (6).
- 19. Import permits are not a condition of foreign exchange transactions pursuant to the Export and Import Permits Act.

### **(2) TEXTILES**

#### **OUTLINE OF SYSTEM**

- 1. Specified textile products are included in the Import Control List established under the Export and Import Permits Act pursuant to negotiated bilateral export restraint arrangements, and are subject to either individual import licensing or open general licensing.

#### **PURPOSES AND COVERAGE OF LICENSING**

- 2. All textile products are allowed entry into Canada under open general permits where they are imported for personal use of the importer or as gifts or as a bona fide commercial sample and where their value does not exceed in most cases \$500.00.
- 4. The licensing system is being used to implement restraint arrangements negotiated under the MFA to administer restraints imposed by Canada unilaterally according to Article 3 of the MFA, and for surveillance purposes in order to fulfil Canada's obligations under the MFA and its bilateral obligations to those trading partners with whom restraints have been negotiated. General Canadian customs clearance is not yet fully computerized and in view of the significant number of ports of entry, the surveillance required could not be achieved without the licensing system.

#### **PROCEDURES**

- 6. **NOTE:** Quantitative restrictions on textiles are established in accordance either with bilateral export restraint arrangements negotiated under the MFA or imposed unilaterally according to the MFA. In the case of bilaterally negotiated restraints, administration is maintained in the exporting source. For these agreements, the Canadian import licensing system is a back-to-back licensing system with that of the exporting sources. Canadian import permits are issued on a single shipment basis to the holders of valid export licences from the export authorities.

In the case of restraints imposed unilaterally by Canada, administration is maintained by Canada. Quotas are allocated to Canadian importers and permits are issued not on the basis of the holding of an export licence issued by the exporting source, but on whether the importer has sufficient quota

remaining to cover the permit application. Imports entering under unilaterally imposed restraints would account for well less than 1 per cent of total clothing and handbag imports.

I. Information on restraints and formalities is published in the Canada Gazette, in press releases and in notices to importers distributed to associations and traders, and upon request, from the Department of External Affairs.

- When the authorities in the exporting source are responsible for administration of the restraint, information is available from the appropriate body in that source.
- In addition to the above, overall amounts, and the amount allocated to goods from each country are also available from the Department of External Affairs.
- In the case of restraints imposed unilaterally by Canada, the maximum amount allocated to each importer is not published. Canada generally allocates quota in these cases on the basis of historical performance in importing the currently restrained product from the restrained source. It is, therefore, based on commercially sensitive information and, for confidentiality reasons, is not published.

II. See NOTE above.

- Canadian import permits are issued on a single shipment basis to the holders of valid export licences from the exporting authorities. In the case of unilaterally imposed restraints, import permits are issued on a single shipment basis upon presentation of an invoice and confirmation that the importer has sufficient quota remaining to cover the shipment.

III. See NOTE above. Bilateral arrangements provide for swing, borrow-forward and carry-over.

- This question only applies to situations where Canada has imposed a restraint unilaterally. In general, quota is allocated to companies with historical performance in importing the currently restrained product from the restrained source. There are no steps taken to ensure that permits allocated are actually used for imports and because unilaterally imposed quotas generally cover a restraint period of one year, there is no provision for adding unused quotas to succeeding periods. Because commercially sensitive information is used to determine quota allocations, the names of the quota holders are not provided to the exporting country.

IV. Import permits are issued on a single shipment basis and may be applied for within 30 days prior to the arrival of the goods, or any time after their arrival.

V. Import permits are available immediately at numerous computer terminals across Canada provided that proper documentation from the exporting sources is presented.

VI. See NOTE above.

VII. Permit applications are considered by only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

VIII. See NOTE above.

- This question only applies to situations where Canada has imposed a restraint unilaterally. In general, allocation of quota is based on historical performance (as described above). In some cases, a portion of the quota (10 per cent) is reserved for new entrants.

IX. Yes.

- Yes.

X. There are provisions of this type in the bilateral arrangements in order that such transshipments would not be counted against the negotiated restraint levels.

7. (a) Import permits for goods subject to surveillance only can be applied for 30 days prior to the expected date of arrival or at any time after arrival.

(b) A permit is normally granted immediately upon request.

(c) See response to 7(a).

(d) Permit applications are considered by only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

8. Import permits are not normally refused if the criteria relating to issuance is met. If a permit is refused, for example, because of incomplete information on the application, the applicant is advised and given the opportunity to correct the anomaly.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. Import permits may be issued only to Canadian residents, whether persons, firms or institutions. Importers eligible to receive import permits are registered with the Export and Import Permits Bureau without charge. This registration is for administrative purposes only related to the use of a computerized permit delivery system. The names of registered importers are made available on request.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. See note on question (6) for additional information required to that prescribed in the application for import permit form.

11. Import permits and normal customs entry forms are required.

12. Any applicant may apply for permit in Ottawa, for which there is a fee of \$15.00, but for permits issued at other computer terminals, there is a fee of \$10.00 or more to cover costs of additional service.

13. No.

#### **CONDITIONS OF LICENSING**

14. Each permit is valid for 30 days, and may be extended for a further 30 days if the request for extension is submitted prior to expiry.

15. No.
16. Licences are not transferable.
17. (a) No.  
(b) No.

#### **OTHER PROCEDURAL REQUIREMENTS**

18. See NOTE in question (6).
19. Import permits are not a condition of foreign exchange transactions pursuant to the Export and Import Permits Act.

### **(3) BROILER HATCHING EGGS AND CHICKS**

#### **OUTLINE OF SYSTEM**

1. Broiler hatching eggs and chicks are on the Import Control List, established under the Export and Import Permits Act and are subject to individual licensing.

#### **PURPOSES AND COVERAGE OF LICENSING**

2. In order to support action taken under the Farm Products Marketing Agencies Act, Broiler Hatching Eggs and Chicks were placed on the Import Control List. This action was taken under the authority of Paragraph 5 (1)(b) of the Export and Import Permits Act. Individual import permits are required for each shipment of these products where chick means a chick for chicken meat production hatched from a broiler hatching egg.
3. The system applies to goods originating in and coming from all countries.
4. This licensing system is used to implement import quotas for broiler hatching eggs and chicks in support of the supply management programme to which these products are subject.

#### **PROCEDURES**

6. The total quota for any year for both broiler hatching eggs and chicks is 21.1 per cent of the estimated hatching egg production for the same year. The broiler hatching egg quota is 17.4 per cent of the estimated hatching egg production for the same year. The chick quota, on an egg equivalent basis, is 3.7 per cent of the estimated hatching egg production for the same year. Each chick is counted as 1.27 hatching eggs. Hatching egg quota holders may convert their allocations to import chicks, but chick quota is not convertible into hatching egg quota.

The quota level is determined annually and is allocated to individual importers based on their average historical level of imports over a base period and to hatcheries that apply on the basis of their share of the total chicks hatched. In 1991, half of the quota was allocated on a market share basis and half on an historical basis. By 1993, all the hatching egg and chick quota was to have been allocated

on a market share basis to federally-registered hatcheries. As a result of a judgement of the Federal Court of Canada, 17 per cent of the 1993 hatching egg and chick import quota was allocated to individual importers on an historical basis and the balance was allocated to hatcheries on a market share basis. In 1994, each group will receive approximately one half of the quota. Quota holders are permitted to import up to their annual quota level at any time during the calendar year.

I. Information on domestic marketing quotas and formalities is published in the Canada Gazette and in Notices to Importers distributed to customs brokers, associations and traders, and, in addition, available upon request from the Department of External Affairs.

II. The quota level for the period ending 31 December 1993 is 82,733,473 broiler hatching eggs and 17,592,750 hatching egg equivalent chicks (each chick is counted as 1.27 hatching eggs). The annual global quota is calculated on the basis of 21.1 per cent of the estimated current year's domestic production of broiler hatching eggs set for incubation, subject to review in August of each year.

III. If a quota holder uses less than 90 per cent of quota allocated, the allocation in the next year will normally be reduced by the percentage of under utilization on an egg equivalent basis. Quota not used in any calendar year will not be available for carryover to the next calendar year.

IV. Individual import permits are required for each shipment.

V-VIII. Import permits are issued through an on-line automated system either (a) in the offices of Customs Brokers in major cities across Canada, or (b) at the Export and Import Permits Bureau in Ottawa. Import permits are normally issued with a validity period of 30 days around the date of arrival specified by importers (5 days prior to and 24 days after); utilization of permits for one quota year is not allowed in the next quota year.

7. See Section 6.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

11. Documents required upon actual importation:

- i) import licence;
- ii) documents in accordance with the Customs Act.

#### **OTHER PROCEDURAL REQUIREMENTS**

18. Importation is subject to health of animal inspection by the Department of Agriculture and normal requirements of Customs regulations by the Department of National Revenue.



#### **(4) DAIRY PRODUCTS**

##### **OUTLINE OF SYSTEM**

1. Dairy products as listed in paragraph 2 are on the Import Control List established under the Export and Import Permits Act and subject to individual import licensing.

##### **PURPOSE AND COVERAGE OF LICENSING**

2. Dairy products on the Import Control List and subject to individual import licensing are: butter, butterfat in any form except any combination unsuitable as a butterfat ingredient; buttermilk, dry casein or caseinates; dry and liquid skimmed milk, animal feed containing more than 50 per cent of non-fat milk solids; dry whole milk, dry whey, evaporated and condensed milk; cheese of all types, dry and liquid dairy blends; ice cream and yogurt. With the exception of dry casein and caseinates, which are subject to global surveillance, all the aforementioned products are subject to quantitative restrictions - namely a global quota on cheese, ice cream and yogurt, quotas allocated to traditional supplying countries on buttermilk and sweet condensed milk, and discretionary licensing which varies with domestic supply availability for all remaining products. Where imported for the personal use of the importer and his household and where the value of each importation does not exceed \$20.00, all products are allowed entry into Canada under open general licensing.

3. The system applies to goods originating and coming from all countries.

4. Except for dry casein or caseinates, the licensing is intended to restrict the quantity of imports in support of the domestic price stabilization programme to which milk is subject. For dry casein or caseinates, the licensing is for surveillance purpose in order to provide information on the levels of imports from all sources. General Canadian customs clearance is not yet fully computerized and, in view of the significant number of ports of entry, the surveillance required could not be achieved without the licensing system.

##### **PROCEDURES**

###### **6.1 PRODUCTS SUBJECT TO GLOBAL QUOTAS (APPLICABLE TO IMPORTS OF CHEESE, ICE CREAM, YOGURT, BUTTERMILK AND SWEET CONDENSED MILK)**

**NOTE:** The basic procedure is that a quantitative limit is established for a one year period. At the beginning of a quota year, individual importers are informed of their allocation (which is based upon import performance in recent periods). Applications for single shipments are made against these allocations at any time during the 30 days preceding the expected date of arrival of the shipment or at any time after the arrival. In the case of cheese, the unused share is set aside for new importers who submit requests for allocations.

I. Information on quotas and formalities is published in the Canada Gazette, in press releases and in importers notifications distributed to associations and traders and, in addition, available upon request from the Department of External Affairs.

Not applicable.

- Through publication of the regulations in the Canada Gazette and distribution of Notices to Importers on administration.
- The levels of the annual quotas are published.
- The amount allocated to each importer is treated as confidential information.

II. See NOTE above.

III. See NOTE above. Applications for allocation are considered on an individual basis without reference to whether or not the applicant is a producer of the like product.

- Permit utilization requires the return of a copy of the permit for monitoring purposes. Unused allocations are generally made available for redistribution in the subsequent year to new applicants or to importers requesting increases in their allocations.
- Unused allocations may not be carried over to succeeding quota years.
- Lists of quota holders are available upon request.

IV. See NOTE above.

V. Import permits are available at numerous computer terminals across Canada with a turn-round time measured in seconds.

VI. See NOTE above.

VII. Permit applications are considered by one organization, the Export and Import Permits Bureau, Department of External Affairs.

VIII. See NOTE above.

IX. Not applicable.

X. Not applicable.

XI. Not applicable.

## 6.2 **PRODUCTS SUBJECT TO DISCRETIONARY LICENSING**

(Applicable to imports of butter, butterfat in any form except any combination unsuitable as a butterfat ingredient, dry or liquid skimmed milk, animal feed containing more than 50 per cent of non-fat milk solids, dry whole milk, dry whey and evaporated and condensed milk other than sweetened condensed milk, and dry/liquid dairy blends).

**NOTE:** Under the discretionary licensing that applies to the above-mentioned products, import authorization is granted if and when shortages are identified in the domestic market. Accordingly, there are no fixed quantitative limits as to the import volumes and values allowed into the country. At any given time, importers apply for single shipment import permits. These permits have a validity period of 30 days.



I. Information pertaining to the formalities of filing applications is published in importers' notifications.

- Not applicable.
- Through distribution of importers notifications.
- Not applicable.
- Not applicable.
- The amount allocated to each importer is treated as confidential information.

II. See NOTE above.

III. See NOTE above. Applications for allocations are considered on an individual basis without reference to whether or not the applicant is a producer of the like product.

- Not applicable.
- Not applicable.
- Names of importers to whom permits have been given are made known to governments and export promotion bodies of exporting countries upon request.
- Information on individual importer's allocations is deemed under the Export and Import Permits Act to be confidential and can be revealed only to those legally entitled thereto under the Act, or by permission of the importer.

IV. Not applicable.

V. Import permits are available immediately at numerous computer terminals across Canada for all permits issued automatically. However, for products subject to discretionary licensing, each application is authorized individually usually with a turn-round time of one or two days.

VI. Not applicable.

VII. Under discretionary licensing, permit applications are considered by the issuing organization, the Export and Import Permits Bureau, in consultation with the Canadian Dairy Commission and Agriculture Canada.

- The importer must approach only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

VIII. See NOTE above.

IX. Not applicable.

X. Not applicable.

XI. Not applicable.

**PRODUCT SUBJECT TO GLOBAL IMPORT SURVEILLANCE (CASEIN)**

7. (a) An application may be made at any time during the 30 days preceding the arrival of a shipment in Canada or at any time after the arrival.
- (b) A permit is normally granted immediately upon request.
- (c) Not applicable.
- (d) Permit applications are considered by only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

**DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

11. Import permits and customs entry forms are required as well as food certificates as required under the Canadian Dairy Products Act and Regulations.

**OTHER PROCEDURAL REQUIREMENTS**

18. Importation is subject to health/food inspection and normal requirements of Customs regulations.

**(5) TURKEY, EGGS AND CHICKEN****OUTLINE OF SYSTEM**

1. Turkey, eggs and egg products and chicken are on the Import Control List established under the Export and Import Permits Act. As such, these products are subject to either individual import licensing or general licensing.

**PURPOSE AND COVERAGE OF LICENSING**

2. Imports of "chicken and chicken capons, live or eviscerated, chicken parts, whether breaded or battered, and chicken products manufactured wholly thereof, whether breaded or battered", "turkeys, turkey parts and products manufactured wholly thereof" and "eggs and egg products" are subject to global import quotas. For all three products, individual import permits are required for each shipment covered by the aforementioned descriptions. Exceptions are however provided for (a) chicken not exceeding 9 kg in net weight per non-commercial importation, or chicken contained in a jar or can, (b) turkeys not exceeding one or turkey parts not exceeding 10 kg for each non-commercial importation, turkey poults and turkey contained in jars or cans and (c) non-commercial importation of eggs where the amount does not exceed 2 dozen eggs per importation, and eggs encased in mud or other material which preserves their quality for speciality food. These exceptions are under open general licensing.
3. The system applies to goods originating in and coming from all countries.
4. The licensing is being used to implement the import quotas on chicken, turkey and eggs in support of the supply management programmes to which these products are subject.

## **PROCEDURES**

6. **NOTE:** The basic procedure that applies to imports of chicken, turkeys, shell eggs and egg products is that a quantitative limit for all sources is established yearly. Individual quota holders are informed of their allocations which are based upon import performance in recent periods and meeting criteria that are published annually in Notices to Importers. In the case of turkeys, individual allocations may be utilized at any time during the quota year. However for chicken and egg products, individual allocations for larger quota holders are distributed on a quarterly basis while shell eggs are distributed on a monthly basis at a volume ratio in keeping with traditional demand. Applications for single-shipment permits are made against these allocations at any time during the 30 days preceding the expected date of arrival of the shipment. Additional import permits, supplementary to the basic quota, may also be obtained depending upon domestic supply availability, and each applicant's use of their quota if they are quota holders.

I. Information on quotas and formalities is published in Notices to Importers distributed to Customs brokers, associations and traders, and, in addition, available upon request from the Department of External Affairs.

- Not applicable.
- Through publication in the Canada Gazette and distribution of Notices to Importers.
- Overall amounts are published.
- The amount allocated to each importer is treated as confidential information.

II. See NOTE above.

III. See NOTE above. Applications for allocation are considered on an individual basis without reference to whether or not the applicant is a producer of the like product.

- Not applicable.
- However in the case of chicken, quarterly allocations may be carried over to the succeeding quarters. For turkey, there are no quarterly allocations, only an annual allocation. For egg products, unused individual quarterly allocations become available to all importers on a first-come first-served basis in the following quarter. For shell eggs, unused individual monthly allocations may not be carried over to succeeding periods. For all these products, allocations may not be carried over from one quota year to the next.
- Names of importers to whom allocations and permits have been given are made known to any party, upon request.

IV. See NOTE above.

V. Import permits are available immediately at numerous computer terminals across Canada, provided that the applicant has not used up his quota allocation.

VI. See NOTE above.

VII. Permit applications are considered by only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

VIII. See NOTE above.

IX. Not applicable.

X. Not applicable.

XI. In certain cases, permits may be issued to allow applicants to bid competitively on export contracts.

7. Not applicable.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATIONS FOR LICENCE**

11. Import permits and normal customs entry forms are required in addition to health certificates as required under the Canada Agriculture Products Standards Act.

#### **OTHER PROCEDURAL REQUIREMENTS**

18. Importation is subject to health/food inspection and normal requirements of Customs regulations by the Department of National Revenue and the Department of Agriculture and may be subject to the Consumer Packaging and Labelling Act.

### **(6) ENDANGERED SPECIES**

#### **OUTLINE OF SYSTEM**

1. By virtue of the Convention on International Trade in Endangered Species of Wild Fauna and Flora, of which Canada is a member, specimens of such species and their by-products are listed on the Import Control List established under the Export and Import Permits Act and subject to licensing.

#### **PURPOSES AND COVERAGE OF LICENSING**

2. The purpose of this coverage is:

(a) to place a strict limitation on trade in specimens and by-products of species classified as endangered;

(b) to establish a system of monitoring on specimens and by-products susceptible to becoming endangered through the mechanism of back-to-back licensing; and

(c) to allow individual countries to exercise surveillance on importation in other countries specimens and by-products of species which are considered endangered by the exporting country only.

3. The system applies to endangered species originating in and exported from all countries.
4. The purpose of the licensing system is to allow importation in endangered species and their by-products in internationally agreed circumstances.
5.
  - Licensing is effected by regulations under the Export and Import Permits Act.
  - Individual products are not designated in the Act.
  - Endangered species were placed on the Import Control List, established by the Governor-in-Council to implement an intergovernmental arrangement or commitment (see General Responses).
  - Endangered species are subject to open general licensing by the Secretary of State for External Affairs (see General Responses).

### **PROCEDURES**

6. I. Information as to the formalities for complying with the requirements of this control is published in the Canada Gazette, in press releases and in Notices to Importers distributed to associations and traders and, in addition, available upon request from the Department of External Affairs.

- Not applicable.
- Not applicable.
- Not applicable.

Questions II, IV, V, VI, VII, VIII, IX, X and XI are not applicable.

7. (a) Individual import permits can be applied for 30 days prior to the expected date of arrival or at any time after arrival.

(b) An individual import permit is normally granted immediately upon request, provided the criteria for issuing a permit are met.

- (c) Not applicable.
- Not applicable.

(d) Permit applications are processed by three administrative organizations.

8. If the criteria have not been met, the applicant will be informed. In such event, the applicant may request reconsideration by the Secretary of State for External Affairs.

9. Any resident of Canada may apply for a permit. Citizenship is not a criterion.

**DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. The importer is required to provide all the information requested by regulations depending on the type of species he intends to import (e.g. an export permit, a re-export permit or certificate issued by the exporting state, and an import permit issued by the Canadian Wildlife Service of the Department of the Environment).

- Not applicable.
- As stated above.

An export permit, issued by the appropriate CITES authority in the exporting country, must accompany all applications. Products arriving in Canada without a duly authentic CITES export permit will not be cleared by Canada Customs and are subject to seizure.

11. Documents as in 10 and the customs entry forms are required.

- A permit fee of \$15.00 is required.
- Not applicable.

13. There is no advance payment associated with the issue of permits.

- Not applicable.

**CONDITIONS OF LICENSING**

Questions 14-17 are not applicable.

**OTHER PROCEDURAL REQUIREMENTS**

18. Importation is subject to requirements of customs regulations.

19. Not applicable.

**(7) CARBON AND SPECIALITY STEEL****OUTLINE OF SYSTEM**

1. Carbon and speciality steel are on the Import Control List established under the Export and Import Permits Act and are subject to individual and general licensing.

**PURPOSES AND COVERAGE OF LICENSING**

2. Carbon steel products were placed on the Import Control List under the authority of subsection 5(3) of the Export and Import Permits Act with effect 1 September 1986, for the purpose of monitoring

their entry into Canada following a reference to the Canadian Import Tribunal pursuant to section 48 of the Special Import Measures Act. The Tribunal concluded that carbon steel products are being and are likely to be imported into Canada at such prices, in such quantities and under such conditions as to make it advisable to collect information with respect to the importation of such goods. Carbon steel products are defined as semi-finished steel (ingots, blooms, billets, slabs and sheet bars), plate, sheet and strip, wire rods, wire and wire products, railway-type products, bars, structural shapes and units and pipe and tube. Speciality steel products were added to the Import Control List, following an amendment to the Export and Import Permits Act, in order that the monitoring system for steel would be comprehensive.

3. The monitoring system applies to carbon and speciality steel imports from all countries.
4. The licensing is not intended to restrict the quantity or value of imports: it is intended to monitor the volume and the origin of carbon and speciality steel products.
5. The action of placing carbon steel on the Import Control List is under the authority of section 5(1) of the Export and Import Permits Act.

#### **PROCEDURES**

6. Not applicable.
7. Individual import licences are required for each shipment of carbon and speciality steel as described in paragraph 2 above. Applications for licences may be made up to 30 days in advance of the expected date of arrival of the shipment in Canada, or at any time after its arrival. Licences will be granted immediately upon proper application in accordance with the Act. There are no limitations as to the period of the year during which applications and/or importation may be made. Licence applications are considered by only one organization, the Export and Import Permits Bureau, Department of External Affairs and International Trade.

The following exceptions for any carbon or speciality steel product may be imported under general licensing:

- (i) where the total value for duty of the goods, as determined under the Customs Act, is not more than \$5,000.00;
  - (ii) where those goods are imported by the nine major automotive companies under the 1965 Canada/U.S. Automotive Products Trade Agreement. These companies are required to report their imports of carbon steel products monthly.
8. See Section 7.

#### **ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

9. All persons, firms and institutions are eligible to apply for licences.

#### **DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

10. Nil.

11. Documents required upon actual importation:

- (i) import licence;
- (ii) documents in accordance with the Customs Act.

12. Any applicant may apply for permit in Ottawa, for which there is a fee of \$15.00, but for permits issued at other computer terminals, there is a fee of \$10.00 or more to cover costs of additional service.

13. Nil.

#### **CONDITIONS OF LICENSING**

14. Licences are issued with a maximum validity of 30 days, i.e. 5 days prior to anticipated arrival date specified by importers and 24 days thereafter.

15. In cases where a shipment has been cancelled and the import licence unused, importers are required to promptly return all copies of the licence to Export and Import Permits Bureau for cancellation.

16. Licences are not transferable between importers.

17. Nil.

#### **OTHER PROCEDURAL REQUIREMENTS**

18. Nil.

19. Not applicable.