

GENERAL AGREEMENT ON TARIFFS AND TRADE

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LIC/W/8
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Special Distribution

Committee on Import Licensing

ORGANIZATION OF REVIEWS AND SYSTEMATIC AND
REGULAR EXAMINATION OF NOTIFICATIONS

Note by the Secretariat

1. This note is circulated in response to the request made at the meeting of 29 April 1980 of the Committee on Import Licensing, that the secretariat prepare a paper containing proposals for the organization of reviews and the systematic and regular examination of notifications (paragraph 28 of LIC/M/2).

Part I - Organization of reviews

2. Article 5.5 reads as follows:

"The Committee shall review as necessary, but at least once every two years, the implementation and operation of this Agreement taking into account the objectives thereof and shall inform the CONTRACTING PARTIES to the GATT of developments during the period covered by such reviews."

It is suggested that the first review be conducted in the autumn of 1981, and the report be sent to the 37th Session of the CONTRACTING PARTIES.

3. It is suggested that this review of the Agreement should give particular attention to the following main points:

3.1 Information

- 3.1.1 Publication (Articles 1.4, 3(c), 3(e),)
- 3.1.2 Public Notice (Article 3(d))
- 3.1.3 Notifications relating to the relevant laws and regulations (Article 5.4)

3.2 Administration of automatic licensing (Articles 1 and 2)

3.3 Administration of non-automatic licensing (Articles 1 and 3)

3.4 Any particular problems of developing countries
(e.g. Article 2 footnote 2)

3.5 Consultation and dispute settlement (Article 4)

3.6 Final provisions (e.g. Articles 5.1, 5.6)

The first review would be based on information submitted by delegations with regard to their import licensing systems and a supplementary background paper by the secretariat.

Part II - Examination of information

4. At its second meeting held on the 29 April 1980, the Committee discussed the procedural suggestions made by the secretariat regarding information to be supplied and procedures for notification (LIC/W/1 and LIC/M/2, item (c)). These suggestions related to the requirements of the Agreement concerning

- 4.1 publication of information on licensing procedures
- 4.2 public notice of shares in quotas allocated among supplying countries
- 4.3 notifications relating to relevant laws and regulations.

5. With regard to publication the Committee noted Article 1.4 which reads as follows:

"The rules and all information concerning procedures for the submission of applications, including the eligibility of persons, firms and institutions to make such applications, and the lists of products subject to the licensing requirements shall be published promptly in such a manner as to enable governments and traders to become acquainted with them. Any changes in either the rules concerning licensing procedures or the list of products subject to import licensing shall also be promptly published in the same manner."

The Committee agreed that the publications would be made available to the secretariat as laid down in Article 1.4. The Committee also noted Article 3(c) and (e) which read as follows:

"(c) Parties administering quotas by means of licensing shall publish the overall amount of quotas to be applied by quantity and/or value the opening and closing dates of quotas, and changes thereof;"

"(e) Where there is a specific opening date for the submission of licensing applications, the rules and product lists referred to in paragraph 4 of Article 1 shall be published as far in advance as possible of such date, or immediately after the announcement of the quota or other measure involving an import licensing requirement."

The Committee agreed that copies of the publications would normally be made available to the GATT secretariat. The Committee also agreed that this arrangement would be reviewed in the light of experience.

6. The Committee noted Article 3(d) which reads as follows:
"in the case of quotas allocated amongst supplying countries, the Party applying the restrictions shall promptly inform all other Parties having an interest in supplying the product concerned of the shares in the quota, currently allocated, by quantity or value, to the various supplying countries and shall give public notice thereof;"

The Committee agreed that Parties should indicate in what way public notice should be given.

7. With regard to notifications the Committee agreed that, as in other Committees, delegations would make their best efforts to notify the full text of relevant laws and regulations in an official GATT language for translation and circulation to the Committee, since it was in many cases impossible to interpret notifications relating only to changes. The Committee agreed that, if this is not practicable for certain delegations, as a first step they should submit publications containing the full text of these laws and regulations in the national language. As a second step, there should be a decision whether these should be translated into an official GATT language and if so, by whom.

8. The information relating to signatories available to the secretariat as of 24 October 1980 has been brought together in document LIC/W/6/and Addenda 1-19. This information has been obtained from two sources:

- communications from delegations regarding information on implementation and administration of the Agreement on Import Licensing Procedures (LIC/1 and Addenda), and
- answers to the GATT Questionnaire on Import Licensing in the form of addenda to COM.IND/W/55-COM.AG/W/72. The text of this questionnaire is contained in Annex I.

9. The secretariat has been requested to make proposals for the systematic and regular examination of the information at the Committee's disposal.

10. The secretariat suggests that, for each licensing procedure maintained by a signatory, the Committee should have at its disposal the relevant laws and regulations and adequate information on the actual operation of the procedure. It suggests that the answers to the GATT questionnaire on licensing and the information submitted in response to the Committee's decisions set out in paragraphs 5, 6 and 7 above should provide such information. It also suggests, that when

the systematic examination of the information is held, signatories would have an opportunity of requesting further relevant information or clarification from other signatories. The secretariat would suggest that at the outset the Committee should meet if and as necessary, until an adequate factual basis has been established and that the Committee should thereafter examine the information at its disposal as the first part of its two-yearly review under Article 5.5. Finally the secretariat suggests that, as information has been submitted on a signatory-by-signatory basis, the Committee may wish to adopt a signatory-by-signatory approach and examine each of the addenda to LIC/W/6 in turn.