

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Committee on Trade in Industrial Products

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Group 4 - Licensing

REPLIES TO QUESTIONNAIRE ON LICENSING

Addendum

SINGAPORE

Outline of systems

1. There is only one import licensing system for trade purposes. All goods can be imported on an open general licence, excepting where a special licence is required. However, the open general licence does not involve a licence document as such, and in effect means that the goods can be imported freely subject to normal procedural requirements. Because of the absence of an open general licence document, the special licence is often referred to just as a licence and no reference is made to the open general licence excepting for study, research, etc. purposes.

Purposes and coverage of the licensing

2. The licensing system is used to effect quota and other control of goods. As the controls are reviewed from time to time it would be erroneous to think that the licensing system is made to apply against particular categories of goods, e.g. produce goods, semi-finished goods, luxury goods, etc.

3. The system applies to goods originating in and coming from which countries?

The system generally applies to specific goods originating in and coming from all countries, and for the time being to all goods originating from Albania, Cuba, Czechoslovakia, East Germany, North Viet-Nam, People's Republic of China and People's Republic of Mongolia, and also to a special small list of goods originating from Japan which is at present under review.

4. Is the licensing intended to restrict the quantity or value of imports, and if not, what are its purposes? Have alternative methods of accomplishing the purposes been considered and if so which? Why have they not been adopted?

Generally, the purpose is not to restrict the quantity or value of imports, quota restriction being limited to only five products at present, viz, wheat flour, steel bars, chicken essence, carbon paper and fluorescent tubes. Licensing as applied in paragraph 3 above has been imposed for statistical and study purposes and does not include any control on quantity or value of imports.

Import licensing for other than trade purpose, for example to impose special conditions regarding quality of goods, etc., is being studied with a view to enacting separate legislation which will enable dispensation of import licensing in such cases.

5. Cite the law, regulation and/or administrative order under which the licensing is maintained. Is the licensing statutorily required? Does the legislation leave designation of products to be subjected to licensing to administrative discretion? Is it possible for the Government (or the executive branch) to abolish the system without legislative approval?

Licensing is done on a legal basis. Goods subject to licensing are gazetted by the Controller of Imports and Exports under an Order called the Prohibition of Imports and Exports Order, 1950, which is enacted under the principal law known as the Control of Imports and Exports Act.

Goods can be placed on or taken off licensing by the Controller of Imports and Exports. Parliament is not required to approve any law each time goods are so placed on or taken off licensing.

Procedures

6. (a) Is information published, and where, concerning allocation of quotas and formalities of filing applications for licences? If not, how is it brought to the attention of possible importers? Of governments and export promotion bodies of exporting countries and their trade representatives?

Information is published by means of notices issued by the Controller of Imports and Exports. Copies of the notices are issued to the press, Chambers of Commerce, banks, foreign embassies in Singapore, carriers and traders in general.

Is the overall amount published? The amount allocated to goods from each country? The maximum amount allocated to each importer?

Restriction is usually based as a percentage of past performance during the calendar year prior to the year in which the goods are first brought under such restriction. The overall amount is not specifically published, but interested parties can refer to the statistics published quarterly and work out the total amounts. Allocations to importers are not published, nor are they prevented from changing the origin of the goods to be imported by them, i.e. imports under quota can be from any source/country as long as it is limited to the quota allocated.

(b) How is the size of the quotas determined: on a yearly, six-monthly or quarterly basis?

On a six-monthly basis.

Are there cases where the size of quota is determined on a yearly basis but licences are issued for imports on a six-monthly or quarterly basis? In the latter case is it necessary for importers to apply for fresh licence on a six-monthly or quarterly basis?

No.

(c) Are licences allotted for certain goods partly or only to domestic producers of like goods?

Quota licences are normally issued only to those with past performance.

What steps are taken to ensure that licences allocated are actually used for imports?

No one is compelled to use up his allocation.

Are unused allocations added to quotas for a succeeding period?

No.

Are the names of importers to whom licences have been allocated made known to governments and export promotion bodies of exporting countries upon request? If not, for what reason? (Indicate products to which replies relate.)

If a country has been exporting certain goods to Singapore, its own records will enable it to know as to who in Singapore has been receiving the goods. Therefore, so far no request has been made by foreign governments for such information.

(d) From the time of announcing the opening of quotas, as indicated in (a) above, what is the period of time allowed for the submission of applications for licences?

When an item is first subjected to quota restriction, traders are required to submit within fourteen days, their documents to prove past performance. There is no restriction as to the time-limit within which applications for licences must be submitted within a quota period.

(e) What are the minimum and maximum lengths of time for processing applications.

Licences can be processed within a day.

(f) How much time remains, at a minimum, between the granting of licences and the date of opening of the period of importation?

Normally quota decisions are announced one to three weeks before the next quota period commences. When traders have finalized arrangements with their suppliers, they normally submit their applications for licence during the quota period itself.

(g) Is consideration of licence applications effected by a single administrative organ? Or must the application be passed on to other organs for visa note or approval? If so, which? Does the importer have to approach more than one administrative organ?

Generally for trade purposes only the Controller of Imports and Exports considers the application.

(h) If the demand for licences cannot be fully satisfied, on what basis is the allocation to applicants made? First come, first served? Past performance? Is there a maximum amount to be allocated per applicant and if so on what basis is it determined?

Neither. Based on the need for these commodities e.g. priority will be given if goods are required to complete an urgent construction job.

What provision is made for new importers?

Generally, none.

Are applications examined simultaneously or on receipt?

Applications are examined on receipt.

(i) In the case of bilateral quotas or export restraint arrangements, where export permits are issued by exporting countries, are import licences also required? If so, are licences issued automatically?

Not applicable.

(j) In cases where imports are allowed on the basis of export permits only, how is the importing country informed of the effect given by the exporting country to the understanding between the two countries?

Not applicable.

(k) Are there products for which licences are issued on condition that goods should be exported and not sold in the domestic market?

Yes. This applies generally to quota goods, which can be imported and stored in the Free Trade Zone pending re-export.

7. Where there is no quantitative limit on importation of a product or on imports from a particular country:

(a) How far in advance of importation must application for a licence be made? Can licences be obtained within a shorter time-limit or for goods arriving at the port without a licence (for example, owing to inadvertency)?

Legally, traders are required to apply for licences before placing firm orders for the goods or establishing L/Os therefor. However, administratively, licences are issued even after the goods have arrived in the port.

(b) Can a licence be granted immediately on request?

Yes.

(c) Are there any limitations as to the period of the year during which application for licence and/or importation may be made? If so, explain.

No.

(d) Is consideration of licence applications effected by a single administrative organ? Or must the application be passed on to other organs for visa, note or approval? If so, which? Does the importer have to approach more than one administrative organ?

For trade purposes only one single administrative unit is involved.

8. Under what circumstances may an application for a licence be refused other than failure to meet the ordinary criteria? Are the reasons for any refusal given to the applicant? Have applicants a right of appeal in the event of refusal to issue a licence, and if so to what bodies and under what procedures?

If applications meet with the ordinary or publicized criteria, they are not turned down unless there is a revision of the criteria. They can appeal to the Controller of Imports and Exports or to the Committee on Tariff Matters.

Eligibility of importers to apply for licence

9. Are all persons, firms and institutions eligible to apply for licences:

(a) Under restrictive licensing systems?

No. Only those with evidence of past performance may apply.

(b) Under non-restrictive systems?

Yes.

Documentational and other requirements for application of licence

10. What information is required in applications? Submit a sample form.

Description of goods, quantity, value, from whom ordered and country of origin.

What documents is the importer required to supply with the application?

None.

11. What documents are required upon actual importation?

Invoices. Bills of Lading for dutiable imports and Certificates of Origin in a few individual cases.

12. Is there any licensing fee or administrative charge? If so, what is the amount of the fee or charge?

\$10.

13. Is there any deposit or advance payment requirement associated with the issue of licences? If so, state the amount or rate, whether it is refundable, the period of retention and the purpose of the requirement.

No deposit is required.

Conditions of licensing

14. What is the period of validity of a licence? Can the validity of a licence be extended? How?

Usually, six months.

Yes.

By submitting a new application for extension with a fee of \$10.

15. Is there any penalty for the non-utilization of a licence or a portion of a licence?

None.

16. Are licences transferable between importers? If so, are any limitations or conditions attached to such transfer?

Licences are not transferable except for quota licences on proof of transfer of product agency or agreement between the two concerned parties. However, such transfers are rare.

17. Are any other conditions attached to the issue of a licence:

(a) for products subject to quantitative restriction?

No.

(b) for products not subject to quantitative restriction?

No.

Other procedural requirements

18. Are there any other administrative procedures, apart from import licensing and similar administrative procedures, required prior to importation?

No.

19. Is foreign exchange automatically provided by the banking authorities for goods to be imported?

Yes.

Is a licence required as a condition to obtaining foreign exchange?

No.

Is foreign exchange always available to cover licences issued?

Yes.

What formalities must be fulfilled for obtaining the foreign exchange?

Invoice together with a copy of the import permit must be produced to prove import.