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## **1 ARTICLE 7**

### **1.1 Text of Article 7**

#### **Article 7**

##### *Review*

1. 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 the rights and obligations contained therein.

2. As a basis for the Committee review, the Secretariat shall prepare a factual report based on information provided under Article 5, responses to the annual questionnaire on import licensing procedures<sup>7</sup> and other relevant reliable information which is available to it. This report shall provide a synopsis of the aforementioned information, in particular indicating any changes or developments during the period under review, and including any other information as agreed by the Committee.

*(footnote original)*<sup>7</sup> Originally circulated as GATT 1947 document L/3515 of 23 March 1971.

3. Members undertake to complete the annual questionnaire on import licensing procedures promptly and in full.

4. The Committee shall inform the Council for Trade in Goods of developments during the period covered by such reviews.

### **1.2 Articles 7.1 and 7.2: Biennial reviews**

1. At its meeting on 12 October 1995, the Committee on Import Licensing agreed on procedures for reviews under Article 7.1 of the Licensing Agreement.<sup>1</sup> Since then, the Committee has conducted eleven biennial reviews under Article 7.1<sup>2</sup>, based on factual reports prepared by the Secretariat under Article 7.2.

### **1.3 Article 7.3: Responses to Annual Questionnaire**

2. At its meeting on 12 October 1995, the Committee on Import Licensing agreed on procedures for notification under Article 7.3 of the Licensing Agreement, which require all Members

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<sup>1</sup> G/LIC/M/2, para. 34; and G/LIC/3, para. 2.

<sup>2</sup> For the First biennial review (1996), see G/LIC/M/4 paras. 46-49 and G/LIC/5; for the Second biennial review (1998), see G/LIC/M/8, para. 4 and G/LIC/6; for the Third biennial review (2000), see G/LIC/M/12, para. 5 and G/LIC/7; for the Fourth biennial review (2002), see G/LIC/M/12, para. 5 and G/LIC/9 and Rev.1; for the Fifth biennial review (2004), see G/LIC/M/20, para. 5 and G/LIC/12; for the Sixth biennial review (2006), see G/LIC/M/24, para. 5 and G/LIC/W/27; for the Seventh biennial review (2008), see G/LIC/M/28, para. 4 and G/LIC/18; for the Eighth biennial review (2010), see G/LIC/M/32, para. 3 and G/LIC/21 and Corr.1; for the Ninth biennial review (2012), see G/LIC/24; for the Tenth biennial review (2014), see G/LIC/M/40 and G/LIC/25; for the Eleventh biennial review (2016), see G/LIC/M/44 and G/LIC/26.

to provide replies to the Questionnaire on Import Licensing Procedures attached to those procedures by 30 September each year.<sup>3</sup>

3. The annual questionnaire on import licensing provided for in Article 7.3 was first circulated in 1971.<sup>4</sup> The annual notification obligation was first agreed in 1972, when the CONTRACTING PARTIES to the GATT 1947 adopted a report of the Committee on Trade in Industrial Products calling on all GATT contracting parties to notify changes in their import licensing systems on 30 September of each year.<sup>5</sup> The Understanding Regarding Notification, Consultation, Dispute Settlement and Surveillance, adopted on 28 November 1979 as part of the Tokyo Round results, reaffirmed the commitment of the GATT 1947 contracting parties to existing obligations under the GATT 1947 regarding publication and notification.<sup>6</sup> As all parties to the 1979 Agreement were contracting parties to the GATT 1947, the 1979 Agreement did not include any provisions in respect of the annual questionnaire.

4. The Report of the Working Group on Notification Obligations and Procedures of 10 July 1996 suggested that the notification obligations in the 1972 Decision were clearly superseded by the procedures adopted after entry into force of the WTO Agreement, and recommended that the Council for Trade in Goods propose their deletion.<sup>7</sup> Accordingly, on 19 February 1998, the General Council adopted the following decision:

"The notification obligations resulting from the Decision of the CONTRACTING PARTIES to the GATT 1947 taken at their twenty-eighth Session in November 1972 (SR.28/6, item 3) to adopt the report of the Committee on Trade in Industrial Products, including the Committee's proposal regarding notification obligations on licensing systems (L/3756, paragraph 76), are hereby eliminated."<sup>8</sup>

5. As of 3 October 2017, 112 Members had submitted notifications under Article 7.3 since 1 January 1995.<sup>9</sup>

6. As a result of two years of informal discussions, two notification forms under Articles 1.4(a) and/or 8.2(b) and under Article 5 of the Agreement, were submitted by the Chair for the Committee's consideration. At the 11 April 2011 meeting, in light of the wide support for the use of the forms, on a voluntary basis, the Committee agreed that these forms be circulated in the G/LIC/\* document series and posted on the Members website.<sup>10</sup> Since then, many Members have started to use these forms as well as a short statement form to indicate that the already notified import licensing regimes under Article 7.3 remain valid.<sup>11</sup>

7. With regard to notifications, the Secretariat was asked to prepare, for Members' consideration, a draft notification form for notifying under Article 7.3 of the Agreement and a draft text on the use of electronic versions of attachments to notifications submitted under the different provisions in the Agreement. Consultations on these proposed drafts would be held in informal mode. At the meeting on 29 October 2012 the Committee took note of the Chair's report of that informal discussion and took note that a revised form which included comments and suggestions from Members would be circulated and discussed again in the context of an informal consultation to be held in due course.<sup>12</sup>

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<sup>3</sup> G/LIC/M/2, paras. 18-19. The text of the decision and attached questionnaire can be found in G/LIC/3 and the text of the questionnaire can be found in G/LIC/2.

<sup>4</sup> Document L/5670, dated 6 April 1984, reproduced the questionnaire (originally circulated in L/3515) and listed notifications on import licensing made in accordance with these procedures. Later notifications on import licensing under the GATT 1947 were issued as addenda to L/5670.

<sup>5</sup> L/3756, "Committee on Trade in Industrial Products: Report to the Council", 24 October 1972, para. 76; SR.28/6, item 3.

<sup>6</sup> BISD 26S/210, para. 2.

<sup>7</sup> G/L/112, paras. 64-65; Council for Trade in Goods proposal at G/L/134, section II.

<sup>8</sup> WT/L/261; WT/GC/M/26, item 8.

<sup>9</sup> G/L/1048, para. 7.

<sup>10</sup> G/LIC/22

<sup>11</sup> G/L/968, para. 10.

<sup>12</sup> G/L/1011, para. 13.

#### **1.4 Article 7.4: Reports to the Council for Trade in Goods**

8. The Committee has submitted annual reports to the Council for Trade in Goods since 1995.<sup>13</sup> The Committee on Import Licensing for the Agreement (1979) on Import Licensing Procedures submitted annual reports to the GATT 1947 Council.<sup>14</sup>

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Current as of: February 2018

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<sup>13</sup> G/L/29 for 1995; G/L/127 for 1996; G/L/203 for 1997; G/L/264 for 1998; G/L/336 for 1999; G/L/403 for 2000; G/L/493 for 2001; G/L/573 and Add.1 for 2002; G/L/652 for 2003; G/L/715 for 2004; G/L/753 for 2005; G/L/800 for 2006; G/L/836 for 2007; G/L/868 for 2008; G/L/903 for 2009; G/L/941 and Corr.1 for 2010; G/L/968 and Corr.1 for 2011; G/L/1011 for 2012; G/L/1048 for 2013; G/L/1078 for 2014; G/L/1132 for 2015; G/L/1162 for 2016; and G/L/1187 for 2017.

<sup>14</sup> BISD 27S/40, 28S/36, 29S/57, 30S/62, 31S/279, 32S/178, 33S/220, 34S/212, 35S/376, 36S/450, 37S/311, 38S/93, 39S/398, 40S/347, 41S/457, 42S/195.