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Group 4 - Licensing

REPLIES TO THE QUESTIONNAIRE ON LICENSING

Addendum

PERU

Import Procedures and Licensing

The various economic sectors will be considered in the following order:

Industrial sector
Trade sector
Agricultural sector
Fishery sector
Mining sector

INDUSTRY SECTOR

Outline of systems

1. Under the Industry Act (No. 18350) and its implementing regulations, (DS 001-71/IC-DS) applicable to all industrial undertakings in the sector, a prior permit issued by the Industry Directorate is required for imports of capital goods and/or inputs.

Purposes and coverage of the licensing

2. Under the system maintained for Peru's industrial sector, a Directorate Decision is required for imports of capital goods and/or inputs required under the Annual Production Plan or Annual Import Plan.

3. The system applies to goods originating in and coming from any country other than those with which Peru has not trade relations, provided they do not compete with domestic products duly included in the National Register of Manufactures. This Register has been established in pursuance of Act No. 18350 and its use is compulsory. For imports of any product included in the Register, a favourable recommendation from the Industry Directorate is required; such recommendation is granted only where the domestic product falls short of requirements in respect of quality and quantity, and then only to the extent of the shortfall.

4. The intention is not to restrict the quantity or value of imports, but to oblige manufacturers to use domestic capital goods and/or inputs; accordingly, publication of the Annual Production and Import Plan is compulsory so that any objections can be presented.

An alternative method used for this purpose is the "National Register of Manufactures": the customs authorities and Peruvian Consulates abroad do not give clearance or endorse consular invoices in respect of capital goods and/or inputs included in the National Register of Manufactures unless such imports have been authorized by the Customs Directorate following a recommendation by the Industry Directorate.

5. The entire system is maintained under Legislative Decree No. 18350 and its implementing regulations. The licensing is already statutorily required. Designation of the products concerned is not left to administrative discretion; these are determined on the basis of a study by technical staff. The system introduced under the legislative decree can only be abolished by new legislation.

Procedures

6. Capital goods and/or inputs are not subject to any restriction as to the quantity or value of imports.

7. (a) Approval must be requested under the Annual Production Plan and the Annual Import Plan, preferably at the beginning of the year, although other dates are acceptable in exceptional cases.

The time-limit for obtaining a recommendation is as follows, under the implementing regulations for the Industry Act:

After drawing up its annual import programme in relation to its production programme, the industrial undertaking concerned publishes a notice in the Peruvian Official Gazette, listing the capital goods and/or imports which it wishes to import in the course of the year. It presents the corresponding application to the Ministry of Industry and Trade, together with a copy of the said notice showing the date of publication.

Objections can be presented within not more than five days from the date of publication of the notice, together with all relevant evidence. If there are no objections, a decision must be made within not more than thirty days from submission of the application, and notified to the party concerned on the thirtieth day.

In the event of any objections, the Ministry of Industry and Trade makes a decision within the same thirty-day period in respect of the capital goods and/or inputs which are not the subject of any objection. At the end of the five-day period allowed for presenting objections, the applicant is informed of any that have been presented so that within five days he can contest them, furnish explanations or withdraw his application. Within twenty days from the expiry of this latter period, the Industry Directorate will determine whether or not the import transaction to which objection has been made is to take place.

(b) No, all the aforementioned procedures must be carried out.

(c) Preferably early in the year, because the objective is that the Annual Import Programme should be consistent with the Annual Production Programme.

(d) Licence applications are considered first by the Industry Directorate which gives its recommendation to the Customs Directorate, and the latter in turn makes the Directorate Decision with which the applicant can request clearance of the goods; for this purpose the following documents have to be presented to the customs office concerned:

- Shipping documents
- Relevant invoices
- Industrial Register number
- Number of Decision authorizing import
- Number corresponding to each individual item
- Legally certified copy of priority decision
- Copy of Decision authorizing import.

The applicant has to approach the Ministry of Industry and Trade and the Ministry of Economy and Finance.

8. An application for an import licence is refused only in case of objection. The importer is duly informed and can appeal to the Industry Directorate.

Eligibility of importers to apply for licence

9. (b) No. This system is applicable only for industrial undertakings engaged in producing activities and included in the United Nations Standard Industrial Classification, which are operating in the industrial sector under the authority of the Ministry of Industry and Trade; and likewise to public institutions or public or private undertakings not within the purview of the Ministry of Industry and Trade which need to import capital goods and/or inputs and submit an application to that effect to the appropriate public sector, with a view to obtaining from the Ministry of Industry and Trade the report concerning competition with domestic production. In addition, the applicant undertaking must be included in the National Register of Importers.

Documentary and other requirements for licence applications

10. Sample forms are to be found in Annex I.¹

The following documents are required:

- Annual import application
- Annual Production Plan
- List of inputs required for Annual Production Programme
- List of capital goods required for the annual period
- One copy of the notice published in the Official Gazette.

11. Those indicated in the preceding reply.

12. There are no fees or administrative charges for obtaining the Directorate Decision for import. The only charge is that made by the Official Gazette for publication of the annual plan, and it varies according to the size of the notice.

13. No.

Conditions of licensing

14. One year; thereafter, within thirty days following the expiry of the annual import period under the programme, reckoned as from the date of the relevant authorization, the undertaking concerned must furnish to the Ministry of Industry and Trade a statement of any outstanding balance of goods and inputs authorized but not actually imported (Article 166 of the implementing regulations).

15. No. The non-utilized portion must be reported.

16. Licences are not transferable. Under Article 173, goods and/or inputs imported under the incentives régime may not be transferred or ceded while in use for any purpose nor used for any purpose other than that originally indicated except with prior permission from the Industry Directorate, such permission being granted on a case-by-case basis and taking into account the tax effects.

¹Not reproduced here

17. (b) With respect to capital goods and/or inputs not included in its Annual Import Programme, the undertaking concerned may apply to the Industry Directorate for a licence, indicating:

- (a) the reasons for the import licence application;
- (b) designation of the product and/or input concerned, by technical or trade name or tariff heading;
- (c) supplying country of the product and/or input;
- (d) quantity;
- (e) quality required;
- (f) c.i.f. price;
- (g) date at which the product and/or input is required.

The same procedure is then followed as for imports under the Annual Plan.

Other procedural requirements

18. Prior to importation, any industrial undertaking must have obtained the relevant "priority" for the purpose of paying customs duties, in accordance with the established scale (see Annex II).¹

19. In such case, industrial undertakings in the sector are required to present the decision of the Industry Directorate approving importation. Yes, foreign exchange is available.

As required by the Central Reserve Bank, the remittance note of a commercial bank, the bill of lading and the commercial invoice must be attached.

¹Not reproduced here

TRADE SECTOR

Outline of systems

1. The Ministry of Industry and Trade, which is responsible for the trade sector, administers a system of import licences for certain specified products. In addition, a special system is applicable for the Selva area, (imports intended for Loreto and San Martin).

The products subject to licensing are the following:

- I. Cinematographic films and material
- II. Humanized milk and dietetic products
- III. Crude hides and skins
- IV. Fertilizers
- V. Timber
- VI. Fire extinguishers
- VII. Fats and oils
- VIII. Motor vehicles
- IX. Imports for Loreto and San Martin

Purpose and coverage of the licensing

2. I. The provisions concerning the foreign exchange clearing market include a clause specifying that the sector concerned must approve contracts involving payment in foreign exchange. Accordingly, the Trade Directorate must authorize contracts for hire, royalties, purchase or sale, importation of films, comic strips, and all cinematographic material entering the country.
- II. Responsibility for humanized milk and dietetic products was recently transferred from the Ministry of Agriculture to the Ministry of Industry and Trade. For purposes of the import permit, a register of products covered by the system is kept by the Ministry of Health.

The products are the following:

Arobon
Acidolac
Alacta
Almiron
Bambinon
Balcurre with Dextromalto
Creamed Metricia
Cerelac

Dextromalto No. 1
Dryco
Enfomil
Formula S-26
Gluko-B
Alba milk
Mull - Soya
Manzarina
Nestum
Nan
Nestum, protein-enriched
Nestum mixed cereal
Nestum rice
Nestargel
Nidex (Malt Dextrine)
Nestrogeno
Olac
Obaltine
Pabulum rice cereal
Pabulum cereal mixture
Pabulum oats cereal
Pabulum protein-enriched cereal
Protone
Protifar
Protenum
Sustagen (Vanilla)
Sustagen (Chocolate)
Sustagen (strawberry-flavoured)
Sobee
SMi (humanized milk)
Similac with iron
Similac
Sumelpo
Vokva 28 DM
Vasculom

III. In view of the fact that domestic tanning industries have been unable to obtain supplies from LAFPA countries, the Government has issued a Supreme Decree suspending import duties for six months on two customs tariff headings (NABPERU 41.01.1.01 and 41.01.2.01 - hides and skins of bovine animals, fresh, salted or pickled).

IV. In order to regulate supplies of fertilizers for agricultural use, the National Fertilizers Service, acting in co-ordination with the Trade Directorate, is to control imports of the following products:

Nitrogenous fertilizers:

Urea
Sodium nitrate
Ammonium nitrate
Ammonium sulphonitrate
Ammonium sulphate

Calcium nitrate
Calcium nitrate - magnesium nitrate
Calcium cyanamide
Ammonionitrates

Mineral or chemical fertilizers, potassic:

Crude natural potassium salts
Potassium chloride
Potassium sulphate
Mixtures of potassium chloride and potassium sulphate

Mineral or chemical fertilizers, phosphatic:

Basic slag
Disintegrated (calcined) calcium phosphates
Calcium natural aluminium calcium phosphates
All phosphates with 50 per cent content (in general)
Soluble phosphoric acid
Calcium hydrogen phosphate
Superphosphates:
 single
 double
 triple
 other

Other fertilizers:

Natural sodium nitrate (salitre)
Other:
 (- foliar fertilizers containing two or three nutrients
 - compound fertilizers containing N&K
 - Nitrofosca
 - Compreal etc.)

V. In order to regulate supplies and ensure that imports are consistent with foreign exchange availabilities, a system of import licensing is applied on products falling within tariff headings 44.03-44.05 (wood, roughly squared or half squared, or sawn wood) where not subject to import prohibitions under Supreme Decrees 202-68 and 134-69.

VI. In the interest of the Peruvian nation, the Government has ruled that any fire extinguishers entering the country must be accompanied by a quality certificate and a security certificate. The system applies to extinguishers of various kinds interded for fire-fighting use in industrial, commercial, service and other establishments.

VII. Having regard to any shortfalls in domestic production, the Government, acting through the Ministry of Industry and Trade, will direct and control domestic oil production; it will grant import licences, authorize prices, determine shortfalls, marketing arrangements, etc. To this end, import licences will be granted for products falling within Chapter XV of the Customs Tariff ("animal and vegetable fats and oils and their cleavage products; prepared edible fats; animal and vegetable wax").

VIII. A system has been established which is applicable to all domestic assembly undertakings; under Articles 14 and 15 a system of import licences is established for the following vehicles:

- Those needed for the country's economic and social development.
- Used vehicles (upon application from Peruvian nationals) which must be of models assembled in Peru and subject to additional conditions as to residence abroad and the period that has elapsed since purchase.
- Motor vehicles for diplomatic personnel accredited to Peru.
- Motor vehicles for Heads of Mission, members of the Diplomatic Corps posted abroad and personal property of Military Attachés upon their return to the country.
- Complete omnibuses (subject to a maximum of 500 units intended for transport undertakings); only until 31 December 1971.

IX. In view of the particular geographical situation of the Departments of Loreto and San Martin, these departments need to import certain products that are not produced in the area. The Government has issued legal provisions exempting from import duties certain products listed in the Customs Co-operation Agreement between Peru and Colombia and in the Annex to Legislative Decree No. 18805 (see Annex III).¹

3. I. To goods originating and coming from any country with which Peru maintains trade relations.

II. Idem.

III. To those originating in and coming from non-LAFTA countries, in pursuance of Supreme Decree No. 033-71-IC/DS and provided that Peru maintains trade relations with the country concerned.

IV. Same as for I.

V. Idem

VI. Idem

VII. Idem

VIII. Idem

IX. Idem.

¹Not reproduced here

4. I. There is no restriction on value or quantity. The purpose is to verify the values shown in each contract in order to detect any cases of over-valuation.

II. There is no restriction as to value or quantity. As far as quality is concerned, a Health Certificate for Entry is required.

III. Licences are issued only in respect of the shortfall not covered by LAFTA member countries, in accordance with the Annual Import Plan presented by each importing firm.

IV. In respect of only a few products, a specified amount of foreign exchange may be used as determined by Senafer:

Urea	US\$5,200,000 for 1971
Ammonium sulphate (21 per cent)	500,000 for 1971
Ammonium phosphate	950,000 for 1971
Potassium sulphate (50-52 per cent)	480,000 for 1971
Potassium chloride	264,000 for 1971
Triple calcium superphosphates	148,500 for 1971
Compound fertilizers.	300,000 for 1971

V. There is no restriction as to the quantity or value of imports. The purpose is solely to ensure that the products to be imported are not competing with domestic production.

VI. There is no restriction as to quantity or value; licensing is intended to verify the quality and safety standard of products to be imported.

VII. There is no restriction as to quantity or value; the licensing is designed to centralize direction and control of oil production (whether based on domestic or imported crude products) in a single government agency, notwithstanding the fact that the Ministry of Agriculture is responsible for promotion of oilseed and vegetable oils.

VIII. There is no restriction as to quantity or value, with the exception of the licence granted for buses. The purpose is to apply the law on motor vehicles; vehicles already assembled in the country may not be admitted, nor may luxury vehicles that do not contribute to economic and social developments.

IX. In pursuance of Legislative Decree No. 18832, a foreign exchange budget is established for imports of products included in the tariff of the Customs Co-operation Agreement between Peru and Colombia and in the list annexed to Legislative Decree No. 18805, in order to control foreign exchange expenditure on duty-free imports and to determine the appropriate level of demand for the area.

Under the transitional provision, the Foreign Trade Directorate is empowered to grant import licences on a provisional basis in respect of the above-mentioned products, pending approval of the foreign exchange budget for imports and until such time as the machinery envisaged by law comes into operation. The foreign exchange budget has not yet been approved and so the licences are being granted provisionally. The improved alternative method will probably come into operation for the year 1972.

5. I. Legislative Decree No. 18275, Articles 28 and 30; regulations:
Supreme Decree No. 004-71-EF of 19.1.71.

Directorate Decision authorizing contracts for hire, purchase and sale, importation or use of cinematographic and other films. Regulations are being drawn up. The measure can only be abolished under further legislation.

- II. Supreme Decree No. 00169-AG-SA.

The Ministry of Industry and Trade, acting through the Foreign Trade Directorate, is empowered to grant licences for imports of humanized milk and dietetic products. Regulations are already established. The measure can only be abolished by another Supreme Decree.

- III. Supreme Decree No. 033-71-IC/DS.

Import licensing has been introduced for crude hides and skins for six months as from 20 August 1971.

- IV. Under Directorate Decision No. 2555-71-IC/DS, the Foreign Trade Directorate issues import licences for fertilizers, in pursuance of recommendations by the National Fertilizers Service.

- V. Under Supreme Decree No. 032-71-AG (26.1.71), imports of agricultural products are subject to prior authorization by the Ministry of Agriculture; recently, in pursuance of communication No. 528-DM/DGC-71 of 12.5.71 from the Minister of Agriculture to the Minister of Industry and Trade, the entire licensing system has been transferred to the Foreign Trade Directorate.

- VI. Under Directorate Decision No. 451-IC/DGI-70, authorization by the Industrial Control Directorate was required; following an internal re-organization, the Foreign Trade Directorate has now been empowered to grant import permits by Directorate Decision.

- VII. Under Supreme Decree No. 053-71-AG, the Ministry of Industry and Trade (Foreign Trade Directorate) is responsible for authorizing imports of fats and oils.

- VIII. Under Legislative Decree No. 18079 of 30.12.71, Articles 14 and 15, imports of vehicles are prohibited except where necessary for the economic and social development of the nation.

IX. Under Legislative Decree No. 18832 of 13.4.71, Article 4, the Foreign Trade Directorate is empowered to grant import licences consistently with the foreign exchange budget for imports for the area.

The internal control system is at present being set up, and is to be IBM-computerized.

The system can be abolished only by further legislation.

Procedures

6. IX. The only imports under restriction as to value are those covered by the Customs Co-operation Agreement between Peru and Colombia and included in the list annexed to Legislative Decree No. 18805 (products eligible for tariff relief). Although the system is not fully operative, it may become so in 1972.
- (a) None is published for the moment; however, a Regional Foreign Trade Commission, comprising representatives of the Ministries of the Interior, Agriculture, External Relations, Economy and Finance, and Industry and Trade, together with representatives of the Chambers of Commerce of the area, is to be responsible for drawing up the budget, and will presumably be fully informed of the contents, so that importers will also be informed.
 - (b) The size of quotas is to be determined on a yearly basis. Licence applications can be partial, not necessarily on a yearly basis. In the latter case a fresh application must be made for new licences.
 - (c) The licence is granted for all products included in the two lists already mentioned (Annex III).¹ A system of controls is being brought into operation; it includes measures to ensure that licences are actually used and that any unused balance is reported.
 - (d) The system is not yet in operation.
 - (e) No maximum or minimum periods have been established; all applications are dealt with immediately upon receipt of the requisite documents.
 - (f) The period within which the import may be made is that from the date of the licence and the date of its expiry.
 - (g) The Foreign Trade Directorate is the only administrative organ concerned.
 - (h) The system is not yet in operation.
 - (i) At the present time, import licences are required for all of these, and all are considered on an equal basis.

¹Not reproduced here.

(j) No such case has arisen.

(k) No such case has arisen.

7. This applies to products in groups I to VIII.

(a) I. Under the system, a Directorate Decision approving the contract must be obtained before importation. No time-limit is specified.

II. No advance period is specified. Before importation, a licence must be obtained together with a Health Certificate issued by the Ministry of Health. In the case of products that have already arrived in port, the prior formalities must be completed before the goods can be collected.

III. No period is specified. A licence must be obtained before importation. The goods cannot arrive at the port because the régime is a special one so that the licence must be obtained as a prerequisite.

IV. Not specified. The licence is essential.

V. Not specified. The licence is essential, together with the Plant and Animal Health Certificate.

VI. There is no time-limit. In the event that the goods have arrived at a Peruvian port, a Directorate Decision authorizing importation must be obtained before they can be collected.

VII. No time limit is established. In exceptional cases, for example in periods of shortage, the formalities can be carried out within a shorter time-limit than usual.

VIII. No limits have been established. In the case of vehicles arriving at the port, the licence can be granted afterwards (for example vehicles belonging to diplomats, returning residents, etc.). In exceptional cases the formalities can be completed within a shorter time-limit.

(b) I. Provided the relevant requirements are complied with, and the respective administrative formalities are carried out.

II. Same as for I.

III. Same as for I.

IV. Same as for I.

V. Same as for I.

VI. Same as for I.

VII. Same as for I.

VIII. Same as for I.

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

II. Same as for I.

III. Since the system is in operation for six months, applications must be made within that period which will end on 20 February 1972.

IV. Same as for I.

V. Same as for I.

VI. Same as for I.

VII. Same as for I.

VIII. Same as for I.

For categories V and VI there are no limitations as to the date of application but there is a deadline for importing the product - 31 December 1971.

(d) I. Once the Directorate Decision has been obtained, it is passed on to the National Bank for the relevant authorization for foreign exchange expenditure.

II. After the import licence has been issued by the Foreign Trade Directorate, the applicant must obtain a Health Certificate for Entry from the Ministry of Health; this is a separate document.

III. The Foreign Trade Directorate is the only body which intervenes.

IV. The Foreign Trade Directorate is the only body which intervenes; in addition, however, the applicant must present his application to the National Fertilizers Service and the latter then reports to the Foreign Trade Directorate.

V. The Foreign Trade Directorate is the only body which intervenes.

VI. The Foreign Trade Directorate is the only body which intervenes.

VII. The Foreign Trade Directorate is the only body which intervenes, but for some products a Plant and Animal Health Certificate issued by the Ministry of Agriculture is required.

VIII. The Foreign Trade Directorate is the only body which intervenes, but a recommendation by the automobile section of the Industrial Promotion Directorate is required. This is an internal formality and the applicant does not have to approach any other administrative organs.

8. I. The system was only established recently; no cases of refusal have yet arisen.
- II. No cases of refusal have arisen. Nevertheless, in accordance with Supreme Decree No. 006/67 of 22.11.67 and the regulations for general administrative procedures, any appeals would be presented to the authority immediately superior to that which refused an application.
- III. No cases have arisen. Supreme Decree No. 006/67 is applicable.
- IV. If the Industrial Promotion Directorate finds that the product concerned is competing with domestic production or can be substituted for a like domestic product, it so informs the applicant. Appeals can be made under Supreme Decree No. 006/67.
- V. In the event that imports are prohibited, the reasons are given to the importer, who can appeal.
- VI. No cases have arisen.
- VII. No cases have arisen.
- VIII. No cases have arisen.
- IX. No cases have arisen.

Eligibility of importers to apply for licence

9. (a) IX. The system applies only for the liberalized area, so that only importers in the area are restricted. There is a National Register of Importers for each department of the country. The system applies only to importers in Loreto and San Martin who are duly inscribed. There is no registration fee.
- (b) I. Provided they are listed in the Mercantile Register as distributors of cinematographic films.
- II. The importer must be included in the National Register of Importers. There is no registration fee.
- III. Only for industrialists engaged in tanning, and only for the inputs required by them; they must also be listed in the National Register of Importers.
- IV. For associations, farmers, co-operatives or specialized traders, under RM.1886-69/AG/DM.

V. The only compulsory requirement is to be listed in the National Register of Importers. There is no registration fee.

VI. Same as for V.

VII. Same as for V.

VIII. Same as for V.

In some cases, for example, one-time imports, the Foreign Trade Directorate can waive the requirement of inscription in the National Register of Importers.

Documentary and other requirements for licence applications

10. I. The application must be made on stamped paper, indicating:

- Mercantile Register listing as a distributor of film material
- foreign exchange requirements
- number of film
- millimetre size
- period of contract
- countries of origin

Together with the contract, which is subject to signed approval by the consuls of the supplying countries.

II. A copy is enclosed of the form to be filled in by importers (see Annex IV).¹ Together with:

- an application form
- Recommendation or attestation by the Ministry of Health to the effect that the product is one covered by the system.

III. The form in Annex IV.¹

IV. The form in Annex IV¹ together with:

- certificate issued by the Chief of the agrarian zone or by the Agrarian Promotion Agency or by the Agricultural Development Bank
- certificate from the Associations Register, Ministry of Agriculture, or
- certificate of recognition of the Co-operative
- supply voucher
- Bill of Lading for previous import
- sworn statement in the case of first import

V. Same form as in Annex IV:¹ in addition, in the case of manufacturers:

- Recommendation of Industry Directorate for Annual Import Plan
- invoice, order form or contract
- copy of notice published in the Official Gazette

¹Not reproduced here.

In the case of traders, in addition:

- List of clients

VI. Application on stamped paper specifying the type, model, market, class, etc. of the extinguishers; approval can then be given for importing this type of product.

If on an earlier occasion import has been authorized by Directorate Decision, an endorsement of the application is sufficient for new imports. Together with the following:

- Quality certificate
- Safety certificate
- Official translation in the case of a foreign language.

VII. The same form as Annex IV¹ together with:

If applicant is a manufacturer:

- Order form, invoice or purchase contract
- Annual Import Plan
- Notice published in the Official Gazette.

If the applicant is a trader:

- Order form, invoice or contract
- List of clients (and/or possible purchasers).

VIII. The special form is attached (Annex V).¹

It must be accompanied by a catalogue showing technical specifications. In the case of diplomatic personnel, and Peruvian military attachés posted abroad and returning to the country, a certificate from the Ministry of External Relations is required; in the case of foreigners, a certificate confirming nationality or diplomatic status.

IX. The special form is attached (Annex VI).¹

To it must be attached the sales voucher showing the price, quantity and specifications.

11. In all cases the documents already mentioned are required upon actual importation.

12. No charges are made for issuing a permit or licence. The only expenditure is for purchase of stamped paper in some cases, and in other cases for the fiscal stamps which must be affixed.

Stamped paper: S/4.00 per sheet

Fiscal stamp: S/2.00 per page for 4 copies = S/8.00.

¹Not reproduced here.

13. There is no such requirement for any of the nine categories.

Conditions of licensing

14. I. The period of validity varies according to the provisions of the contract. It cannot be extended; a new contract is required.

II. Ninety days from the date of issue. This can be extended, if adequate reasons are given in another application.

III. Ninety days only. This period can be extended if proof is shown that the product has not arrived at the port.

IV. Ninety days; this period may be extended once, under Supreme Decree No. 032-71-AG, subject to presentation of an application and of documents in support of the request for extension.

V. Same as for III.

VI. A period of validity until 31 December of the year in which the Directorate Decision was issued.

VII. Same as for III.

VIII. 120 days; this period may be extended upon request, subject to presentation of a document justifying the reasons.

IX. This depends on the country in which the goods are embarked. It may be extended, subject to evidence that the delay is due to external causes.

15. There is no provision for any penalty.

IX. In the case of the Selva area, this aspect is considered in the implementation of the budget estimates.

16. They are not transferable in any case.

I. In the case of films, the contract may specify that it will be used in other countries.

17. (a,b) I. If the contract is in a foreign language, an official translation must be attached.

II. There are no other conditions.

III. There are no other conditions.

IV. In the event that Senafer has fixed quotas for some products and these are to be filled, a prior recommendation must be obtained from the Trade Directorate.

V. There are no other conditions.

VI. There are no other conditions.

VII. There are no other conditions.

VIII. There are no other conditions.

IX. There are no other conditions.

Other procedural requirements

18. I. Once the contract has been approved, the importer must arrange to obtain foreign exchange for payment from the National Bank, before importation.

II. Before importation, foreign exchange must be obtained from the Central Reserve Bank against cash or bank credit.

III. Before importation, foreign exchange must be obtained from the Central Reserve Bank against cash or bank credit.

IV. Before importation, foreign exchange must be obtained from the Central Reserve Bank against cash for bank credit.

VI. Before importation, foreign exchange must be obtained from the Central Reserve Bank against cash for bank credit.

VIII. Before importation, foreign exchange must be obtained from the Central Reserve Bank against cash for bank credit.

IX. Before importation, foreign exchange must be obtained from the Central Reserve Bank against cash for bank credit.

V. For timber imports, a Plant and Animal Health Certificate must be obtained from the Ministry of Agriculture.

VII. In some cases, a Plant and Animal Health Certificate must be obtained before importation.

19. I. In the case of contracts, arrangements are made directly with the National Bank after approval has been obtained.

II, III, IV, V, VI, VII, VIII, IX - the same procedure must be followed for obtaining foreign exchange in these cases. The Bank is informed that a licence or permit must first be obtained for certain products, and therefore it requires such permit to be produced. Other documents required are:

- Shipping documents
- Consular invoices
- Commercial invoices

AGRICULTURAL SECTOR

Outline of systems

1. Article 15 of the Agriculture Act provides that "the Ministry of Agriculture shall be responsible for regulating supplies of foodstuffs and likewise imports and exports of agricultural products and inputs in general"; in pursuance of this, the Government has issued a Supreme Decree to regulate imports of agricultural products consistently with the foreign exchange availabilities earmarked for this purpose by the Ministry of Economy and Finance.

Purpose and coverage of the licensing

2. For the purposes mentioned above, imports of agricultural products are subject to licensing in the cases determined by the Ministry of Agriculture. Subsequently, under Legislative Decree No. 18871 of 3 June 1971, the State Agricultural Service was given sole responsibility for imports of edible fruit, vegetables, plants, roots and tubers. To this end it has concluded contracts with Peruvian wholesale distributors. The Marketing Directorate of the Ministry of Agriculture, acting in co-ordination with the Ministry of Economy and Finance, must draw up the Annual Import Programme in the light of foreign exchange availabilities and this was approved by Supreme Resolution No. 630-71-AG of 31 August 1971. All import licences for agricultural products must be authorized by the Ministry of Agriculture, in pursuance of Supreme Decrees Nos. 32-71-AG and 65-71-AG.

3. The system applies to agricultural products coming from any country with which Peru maintains trade relations, preference being given to products that have been the subject of negotiations under the Montevideo Charter and the Cartagena Agreement.

4. The Ministry of Agriculture has introduced a licensing system for agricultural imports in order to be able to determine supply requirements and the volume and value of annual imports, which are then presented to the Ministry of Economy and Finance for consideration in the annual foreign exchange budget. The system is further improved by a Cardex record, kept by the Marketing Directorate of the Ministry of Agriculture, of the amounts covered by licences granted, and the balances remaining in respect of each product.

5. Legislative Decree No. 17533 (Agriculture Act).

Supreme Decree No. 32-71-AG, establishing licensing for agricultural imports where so determined by the Ministry of Agriculture.

Legislative Decree No. 18871, giving the EPSA (Peruvian Agricultural Services Undertaking) exclusive authority to import edible fruits, vegetables, plants, roots and tubers under annual programmes drawn up by the Ministry of Agriculture in co-ordination with the Ministry of Economy and Finance.

Supreme Decree No. 319-71-AG, (implementing regulations for Legislative Decree No. 18871).

R.S. 630-71 approving the annual foreign exchange allocation programme for imports by the EPSA, in the amount of US\$2,604,037.00.

Procedures

6. (a) Information on quotas has been published in the Official Gazette, but is not broken down by licence applications or by importers. Interested persons are informed in due course of the quotas allocated, under article 13 of Supreme Decree No. 319-71.

In view of the fact that the entire system was introduced only recently, and that responsibility for it has recently been transferred from the Ministry of Agriculture to the EPSA, arrangements have not yet been made for publication of information showing individual countries or importers.

(b) For the moment, the quotas cover the period from the date of publication until the end of the year. The intention is to put them on an annual basis. In certain cases, the quota may be annual, but the application would cover part of that period; a fresh licence application would then have to be made.

(c) Licences are allocated only for the agricultural products already mentioned.

In view of the fact that the system is not yet in operation, no steps have been taken to ensure that licences are actually used.

(d) No period of time has yet been specified.

(e) The processing is through normal administrative channels and depends on presentation of the relevant forms, duly filled in and accompanied by the requisite documents; in addition, any other requirements must be complied with. No minimum or maximum length of time can be stated.

(f) Importation can take place at any time between the date on which the licence is granted and the date on which it expires.

(g) For the moment, only some licences are processed by the Marketing Directorate of the Ministry of Agriculture, whilst others are dealt with by the EPSA and the Ministry of Agriculture at the same time; importers in the second case therefore have to approach both organs.

(h) The quota system is not yet fully established, in particular where the second part of the question is concerned. The policy of the Ministry of Agriculture has been to meet requests from all importers without discrimination, provided that the applicant meets the requirements. Under Article 4 of Supreme Decree No. 319-71-AG, once import needs are known, the EPSA, acting in co-ordination with the Higher Trade Council, must seek the most attractive offers for the purchase of products.

In the event that the EPSA cannot find in the foreign market any particular product included in the Annual Import Programme, it can arrange for the amount of foreign exchange earmarked for the product to be transferred for importation of other products, subject to authorization by Supreme Decision. In addition, the EPSA can purchase products from third countries only where those products are not available in the markets of LAFTA or the Andean group, under normal conditions of supply.

(i) No cases of bilateral arrangements have yet arisen.

(j) No such cases have yet arisen.

(k) This case is not envisaged.

7. Under the system, imports of certain products are limited.

8. No such cases have yet arisen. Nevertheless, any appeal to the Government authorities is made to the immediate higher authority, under Supreme Decree No. 006/67 of 22.11.67.

Eligibility of importers to apply for licences

9. (a) No, not all persons are eligible.

Any natural person or corporate body wishing to import agricultural products must be inscribed as a trading and/or industrial importer separately in the register kept for this purpose in the Ministry of Agriculture. There is no registration fee. As the EPSA is the only authorized importer, it invites wholesale distributors and/or consumers to apply for quota allocations. After considering the applicants, and verifying that they are inscribed in the appropriate register, verifying their trade record, etc, the EPSA draws up contracts for each of them which are duly guaranteed as required by law.

Documentary and other requirements for licence applications

10. A copy of the form is attached (Annex VII).¹ In addition, the following are required:

- a Plant or Animal Health Certificate, according to the case, issued by the Agricultural Promotion Directorate;
- the latest shipping document for the preceding import transaction;
- a sworn statement, if this is the first import transaction.

11. The same.

12. Only S/2.00 for fiscal stamps for each of the first five copies of the licences.

13. No.

¹Not reproduced here.

Conditions of licensing

14. The period of validity is 120 days, which may be extended if adequate reasons are adduced.

15. No provision has yet been made in this sense.

16. No, they are not transferable.

17. There are no other conditions than those mentioned.

Any other procedural requirements:

18. None other than those mentioned.

19. A licence must be presented in order to obtain foreign exchange. In addition, the Central Reserve Bank requires the following accompanying documents:

- Consular invoice;
- shipping documents;
- commercial invoice;
- credit bank document, guaranteeing payment.

FISHERY SECTOR

In pursuance of Act No. 18810 of 25.3.71 (Fishery Act), Article 11, the Ministry of Fishery centralizes and co-ordinates with other governing bodies all activities concerning the fishery sector. Likewise, all activities within the purview of other ministries and which affect the fishery sector are co-ordinated with the Ministry of Fishery. Accordingly, where the Fishery Sector is concerned, the import permits for which the Ministry of Agriculture is normally responsible have been transferred to the Ministry of Fishery. This affects lobsters, mussels, molluscs, shrimps, oyster sauce, fish preserves, dried prawns, etc. Since the system has not yet been brought into operation, the same procedure is followed as in the agricultural sector, and the same form is used for requesting the Animal Health Certificate which in this case is issued by the Fishery Certifications Service.

MINING SECTOR

Crude petroleum and derived products

Under Legislative Decree No. 18930 of 17.8.71, Petroleos del Peru, acting in the name of the State, is the only body authorized to import crude petroleum and/or derived products to meet domestic requirements. Implementing regulations have not yet been issued, so that the operation of the system cannot be explained.

Precious or semi-processed metals

Under Article 20 of Legislative Decree No. 18882 of 15.6.71, the only body authorized to purchase, sell, own, export or import precious metals (crude or semi-processed), unworked pearls and unworked precious stones is the State, acting through the Peruvian Mining Bank under the conditions fixed by the Bank's board of directors:, in exceptional cases and under State control, other persons may be authorized to import unworked pearls, unworked precious stones, and alloys and amalgams of precious metals.

Consequently, anyone interested in such imported products must apply to the Bank which is to be the only importer; for this purpose a special register has been established of craftsmen, manufacturers, technical and professional workers who manufacture or deal in the products concerned; the purchase, use and destination of such products must be reported so that the Bank can be informed and ensure that domestic requirements are met. By way of exception an import permit may be issued, generally for amalgams of precious metals and for industrial pigments; for this purpose the following are required:

- Remittance note,
- Authorization from the External Taxation Council
- Dispatch bill (by air or sea).

Upon presentation of the permit together with these documents, to which a special stamp is affixed, importation can be effected. As in the case of the industrial sector, Annual Import Programmes are carefully observed in cases of contracts with the State; in future, however, the Mining Bank will be the only importer.