

GENERAL AGREEMENT ON TARIFFS AND TRADE

REPORT (1985) OF THE COMMITTEE ON IMPORT LICENSING

1. This report, submitted under Article 5.5 of the Agreement on Import Licensing Procedures, sets out developments in the implementation and operation of the Agreement since the Committee's last report on 9 October 1984 (L/5696).

2. The Agreement on Import Licensing Procedures entered into force on 1 January 1980. As of 9 October 1985 there were twenty-four signatories to the Agreement: Argentina, Australia, Austria, Canada, Chile, Czechoslovakia, Egypt, the European Economic Community, Finland, Hungary, India, Japan, New Zealand, Norway, Pakistan, Philippines, Romania, Singapore, South Africa, Sweden, Switzerland, United Kingdom on behalf of Hong Kong, United States and Yugoslavia. Argentina has signed the Agreement subject to ratification.

3. The following twenty-five contracting parties have observer status in the Committee on Import Licensing: Bangladesh, Brazil, Colombia, Cuba, Gabon, Ghana, Indonesia, Israel, Ivory Coast, Jamaica, Republic of Korea, Malaysia, Malta, Nigeria, Peru, Poland, Portugal, Senegal, Spain, Sri Lanka, Tanzania, Thailand, Trinidad and Tobago, Turkey and Zaire. Tunisia and four non-contracting parties, Bulgaria, Ecuador, Mexico and Venezuela are also observers. Two international organizations, IMF and UNCTAD, have attended meetings of the Committee in an observer capacity.

Developments since the Committee's last report (L/5696)

4. The Committee held its twelfth, thirteenth and fourteenth meetings on 13 March (LIC/M/12 and L/5789), 12 June (LIC/M/13 and L/5819) and 9 October 1985 (LIC/M/14 and L/5882)

5. The Committee also held a special meeting on 17 April 1985 (LIC/8) in accordance with the decision of the CONTRACTING PARTIES at their fortieth session regarding the MTN Agreements and Arrangements, inviting each Committee to examine the adequacy and effectiveness of the Agreement in question and the obstacles to acceptance which contracting parties may have faced (L/5756).

6. During the reporting period, signatories communicated regularly to the Committee, in accordance with Article 5.4 of the Agreement, changes in their laws and regulations and in the administration of such laws and regulations relevant to the Agreement (LIC/1 and addenda). Copies of publications containing information on new rules concerning import licensing procedures or lists of products subject to licensing requirements were made available to the secretariat as and when published (LIC/3, corrigenda and addenda). In addition, most signatories have brought up-to-date the data supplied by them in response to the GATT Questionnaire on Import Licensing Procedures. However, the Committee noted that one signatory had not yet provided its reply to the GATT questionnaire. The status of such notifications as of 24 April 1985 is contained in L/5640/Rev.1.

7. At its twelfth and fourteenth meetings, the Committee reverted to the question of the compliance of one Party with the provisions of Article 3(c) of the Agreement (LIC/M/12, paragraphs 8-13; LIC/M/14, paragraphs 9-16) At the twelfth meeting, the Party in question reported progress in the publication of quotas, which was welcomed by the Committee, although several delegations had expressed concern regarding the need for that Party to liberalize its licensing system to the greatest extent possible, especially in view of its importance in world trade. At the fourteenth meeting, the Committee noted with satisfaction the further steps taken by the Party to comply with Article 3(c). However, in light of the concerns previously expressed by several delegations, the Committee agreed to continue to address the relevant aspects of the licensing system of the Party in question at future meetings.

8. At its twelfth and fourteenth meetings, the Committee was informed that one Party, concerned with another Party's licensing régime, which in its view restricted its exports of almonds, considered that bilateral discussions with that Party had, as yet, failed to result in a satisfactory resolution of the matter.

9. At its twelfth, thirteenth and fourteenth meetings, the Committee discussed a problem raised by one Party concerning another Party's invoicing practice for imports of specialty steel involving the requirement of prior landing before import authorization could be granted (LIC/M/10, paragraphs 22-24; LIC/M/11, paragraph 19; LIC/M/12, paragraphs 15-17; LIC/M/13, paragraphs 18-20; LIC/M/14, paragraphs 17-20). In the light of informal consultations held on the matter and at the request of the Party which had raised the issue that this matter be considered as a priority item, the Committee agreed to consider examination of the coverage of Article 1.1 of the Agreement in its work programme (LIC/M/14, paragraphs 26-32).

10. The Committee pursued the examination of its work programme (LIC/M/11, paragraphs 29-34) at each of the meetings held during the reporting period (LIC/M/12, paragraphs 20-27); LIC/M/13, paragraphs 3-16; LIC/M/14, paragraphs 24-32) and through informal consultations. At its fourteenth meeting, a number of draft recommendations dealing with points A (Publication), B (Public notice) and C (Application procedures) of the programme (LIC/M/11, paragraphs 29-34) were circulated, which the Committee agreed to consider at a future meeting. The Committee also agreed to initiate discussions on points D (Period of processing of applications), E (Period of licence validity) and F (Distribution of licences to applicants) at its next meeting on the basis of an inventory of existing procedures of signatories to be prepared by the secretariat.

11. The Committee carried out its third biennial review of the implementation and operation of the Agreement at its meeting on 9 October 1985 on the basis of a background document prepared by the secretariat (LIC/9 and Corr.1). The results of the review, including any additional information on their respective licensing procedures exchanged by signatories, will be reflected in the minutes of the fourteenth meeting (LIC/M/14) and in the relevant documents of the Committee in the LIC/series.