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REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

NEW ZEALAND

Revision

The attached notification<sup>1</sup> has been received from the delegation of New Zealand in response to the questionnaire on import licensing procedures annexed to L/5640/Rev.5. The notification updates and replaces information previously provided in document L/5640/Add.18/Rev.1.

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REPONSES AU QUESTIONNAIRE RELATIF AUX PROCEDURES  
EN MATIERE DE LICENCES D'IMPORTATION

NOUVELLE-ZELANDE

Révision

La délégation de la Nouvelle-Zélande a fait parvenir au secrétariat la notification ci-jointe<sup>1</sup> en réponse au questionnaire relatif aux procédures en matière de licences d'importation annexé au document L/5640/Rev.5. Le présent document met à jour et remplace les renseignements précédemment communiqués dans le document L/5640/Add.18/Rev.1.

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RESPUESTAS AL CUESTIONARIO SOBRE PROCEDIMIENTOS PARA EL  
TRAMITE DE LICENCIAS DE IMPORTACION

NUEVA ZELANDIA

Revisión

Se ha recibido de la delegación de Nueva Zelandia, la siguiente notificación<sup>1</sup> presentada en respuesta al cuestionario sobre procedimientos para el trámite de licencias de importación anexo al documento L/5640/Rev.5. Con la presente notificación queda revisada y sustituida la información que se había facilitado en el documento L/5640/Add.18/Rev.1.

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<sup>1</sup>English only/Anglais seulement/En inglés únicamente.

## Outline of System

### 1. Brief Description.

Nearly all goods enter New Zealand free of any form of import licence control. However certain specified goods are subject to control. For these goods, in most circumstances an import licence must be obtained no later than sixty days after importation. Controlled goods are not released by Customs until a licence is produced.

Licences for controlled goods are issued under a variety of policies. These are detailed in the Import Licensing Schedule, a copy of which is held by the Secretariat.

Some of the more significant policies are:

Tender Licences - An amount of licence equal to an increasing percentage of the domestic market is made available by public tender each year for all controlled goods.

Basic Licence - Originally issued to importers based on established import history of the goods concerned. (These licences are now transferable.) Licences are issued automatically each year.

Standard Policy - Licence are granted for any specific good in a controlled category that can be shown to be not of a type made in New Zealand.

Manufacturing Inputs - In certain circumstances.

Samples and Demonstration Goods

Good to be Re-exported

Developing Countries Handicrafts

The New Zealand government is committed to the removal of import controls.

### Purpose and Coverage of Licensing

### 2. Identify licensing systems and products covered.

Various products in the general product areas listed below are subject to import licence control. In some areas only a small number of products are controlled. For full details refer to the Import Control Regulations 1988 (as amended) or the Import Licensing Schedule. Copies of both are held by the Secretariat.

<u>Product Area</u>	<u>Final Date for Control</u>
Apparel	July 1992
Ceramic sanitaryware	July 1990
Electrical ceramics	July 1991
Footwear	Under review
Plastic tapes	January 1991
Textile fabrics	July 1991

3. Country application.

Most Australian origin goods are excluded from import licence control under the provisions of the Australia New Zealand Closer Economic Relations Trade Agreement. Those goods that do require a licence will be removed from control by July 1990.

Goods of Pacific Forum Island Country origin are excluded from control under the provisions of the South Pacific Regional Trade and Economic Cooperation Agreement.

Goods of Cook Island, Niue, and Western Samoa origin are excluded from control under a general exemption for these countries.

Tokelau is part of New Zealand and import licence control does not apply.

Import licences granted under the Developing Country Handicraft Scheme policy are available for imports from developing countries only.

With the above exceptions the import licensing system does not distinguish between countries of origin.

4. Purpose of import licence controls.

Import licensing is an industry assistance measure designed to foster the diversification of industry and the development of investment, production, and employment in those areas subject to control. Import licence controls are being phased put and will be removed within the next few years.

5. Authority.

Import Licensing is maintained under the Import Control Regulations 1988 (SR 1988/125). The Regulations are made pursuant to the Import Control Act 1988 (1988 No 157). Goods are brought under control or removed from control by Order in Council.

Procedures

6. I. Publication of information.

Goods subject to import licence control are specified in the Import Control Regulations 1988. Copies are available from outlets of the Government Printer.

The principle working document for interested parties is the Import Licensing Schedule (ILS). This document groups controlled goods into licence categories and details the policies and procedures under which licences will be issued. The ILS and an amendment service is available on subscription with the Government Printer.

Licence allocations put up for public tender, and the results of each tender are published in the Import Licensing Edition of the New Zealand Gazette. The Gazette is available on subscription with the Government Printer. Individual copies can be purchased.

The above documents can be found in most public libraries.

An Import Licensing Manual is maintained. This sets out the administrative procedures to be followed for the import licensing system. The manual is an internal document for officers of the Ministry of Commerce and the Customs Department but copies are available to the public.

Copies of all of the above documents are held by the Secretariat.

## II. Size and timing of quotas

The allocations for tendered licences and allocations under the Developing Countries Handicraft Scheme are determined annually according to the programme for the goods concerned. Some of the tender licence allocations are made available six monthly, the others being made available annually. All other licence policies are not subject to any quota or budgetary limit. Application may be made at any time and all qualifying applications are granted.

There is no expiration date on tender licences and they remain valid until completely drawn down. Other licence types are generally issued for the import licence year ending 30 June.

## III. Domestic producers, usage, licence holders names

Licences issued under the two Manufacturing Development policies are for inputs into domestic manufacturing operations. All other policies make no distinction between manufacturing and other types of business.

Under the Developing Countries Handicraft Scheme licence holders who do not substantially utilise their licences do not qualify for further licence issues. No steps are taken to ensure that other licence types are utilized. Unused tender licences and Developing Country Handicraft Scheme licences are not added to future allocations. Other licence types are not subject to fixed allocations.

The names of all licence holders are publicly available.

## IV. Timing for submission of applications.

Licences amounts available by tender are published twenty-six days before the closing date for tenders. Tenders are held at various times throughout the year for the different products under control. Basic



licences are re-issued automatically to existing holders each year without the requirement for an application. All other licence types can be applied for at any time. Licences may be obtained up to sixty days after importation has occurred but goods are not released by Customs until a licence is produced.

V. Application processing time.

Depending on the type of licence applied for and the supporting information required, the processing of an application can be done immediately or take up to several weeks.

VI. Licence start date.

Tender licences for apparel products, and Basic licences are allocated about two months prior to their start dates. Other licences are valid immediately they are issued.

VII. Administrative bodies.

Except for tender licences all applications are made to the Customs Department and the licences or notification of decline are issued by that Department. Applications for certain licence types are determined by Customs. Others are referred to the Ministry of Commerce by Customs for decision before issue or decline by Customs. The Ministry may contact the applicant if further information is required. Tender licences are allocated in response to bids lodged direct with the Ministry of Commerce and licences are issued by the Ministry.

VIII. Allocation of licences amongst applicants.

Tender allocations are allocated on the basis of bids received.

Developing Country Handicraft Scheme licences are issued first to existing scheme participants up to the level of their existing licence holdings. The balances of the allocations available are then issued on a first come first served basis to new applicants or to existing participants seeking an increase in their licence holding.

Other licence types are not subject to fixed quotas and no distinction is made between new and existing importers or the timing of applications.

IX. Bilateral quotas.

New Zealand has no bilateral quotas or export restraint arrangements with other countries.

X. Imports based on export permits.

There is no situation where imports are allowed on the basis of export permits only.

XI. Goods not for sale on the domestic market.

Import licences are readily available for goods that will not be sold on the domestic market. A Temporary Importation Licence will be issued for controlled goods on the condition that they are re-exported within a specified period and are not sold or otherwise disposed of in New Zealand. Licences will also be issued to duty free shops for goods for sale in New Zealand on the condition that the goods are re-exported.

7. Where quantitative limits do not apply.

Where overall quantitative limits do not apply import licence controls are generally not maintained. The only exception is for monitoring purposes where particular goods may be given Licence on Demand status for 12 months after quantitative limits for those goods are removed.

(a) Timing of applications with respect to importation

Application for licences for goods subject to Licence on Demand status may be made at any time in advance of an importation or up to 60 days after importation. Applications are granted on request and need not relate to any specific intended importation.

(b) Timing of issue

Licence on Demand licences are granted immediately on request.

(c) Application period

There are no limitations to the period of the year in which an application can be made or importation can take place.

(d) Administrative body.

Applications are made to the Customs Department and issued automatically by that department. No other approval is required.

8. Refusal of applications.

Applications for import licences are not refused for reasons other than the failure to meet the criteria of the policy concerned.

The reasons for all declines are given to the applicant. Any decline may be appealed. Appeals are made to the Customs Department in the same manner as the original application. Appeals containing new information are treated as new applications. Appeals not containing new information are subject to consideration at a higher level than the original decision or prior appeal. The final right of appeal is to the Minister of Commerce.

Eligibility of Importers to Apply for Licence

9. Eligibility.

Any New Zealand domiciled person or entity may hold an import licence. No registration or other prior qualification is required.

Documentation and other Requirements for Application of Licence

10. Documentation on application.

In general an applicant must supply information such as name and address, product classification and description, amounts sought, etc. Other specific information and any documentation required to support an application varies depending on the policy under which the application is made. Refer to the Import Licensing Schedule for details. Copies of the licence application form are held by the Secretariat.

11. Documentation on importation.

Imports under a Developing Country Handicraft Scheme licence must be supported by a certificate of origin. Otherwise no documentation is required in so far as import licensing is concerned. (Licences issued are recorded on the Customs Department computer accessible at each port of entry.)

12. Licence fees and charges.

There is no licence fee or administration charge.

For those licences made available by public tender licences won are issued on payment of the premium bid. A deposit of 25 per cent must be paid with each tender to secure the licence and the balance must be paid within three months and before the licence is issued.

13. Deposits.

There is no deposit or advance payment required except in the situation of tender licences as detailed in 12. above.

Conditions of Licensing

14. Licence validity period.

Tender licences have no expiration date. Other licence types are issued for the import licensing year ending 30 June. Licences may be extended where imports are delayed in circumstances beyond the importer's control. Applications for extensions are made to the Customs Department.

15. Penalty for non-usage.

Except for Developing Countries Handicraft Scheme licences, there is no penalty for non-usage of licences. In the case of the Developing Countries Handicraft Scheme further licence issue may be declined.

16. Transfer of licences.

Most licence types are freely transferable between importers. Exceptions are some licences issued to meet a particular circumstance, such as to clear goods arrived without a licence. There are no limitations or restrictions on transfers. This is commercial matter between the parties concerned and does not involve the Government.



The permanent transfer of a Basic Licence (automatic issue each year) requires the parties concerned to notify the Government of the change of ownership for future issues.

17. Other conditions.

- (a) Conditions may be attached to a licence restricting imports to those circumstance meeting the criteria of the policy under which it was granted.
- (b) No conditions are placed on licences for goods not subject to quantitative restrictions.

Other Procedural Requirements

18. Other procedures.

The granting of an import licence does not absolve the importer of compliance with any other provision of law relating to the importation of goods, such as the payment of import duties, quarantine requirements, recording of statistics, control of drugs and medicines, control of arms and explosives, etc.

19. Foreign exchange.

New Zealand has no controls on the purchase of foreign exchange.