

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Group "Non-Tariff Measures"

Sub-Group "Quantitative Restrictions"

IMPORT LICENSING SYSTEMS

Mexico

Revision*

The following proposal relating to automatic import licensing is circulated at the request of the delegation of Mexico.

* The new texts incorporate only drafting corrections to the original submission by Mexico.

PROPOSAL BY MEXICO CONCERNING AN
AUTOMATIC LICENSING CODE

PREAMBLE

CONSIDERING the desirability of simplifying and harmonizing the various procedures and administrative practices used in international trade for the processing of import licence applications, in order to diminish the restrictive effects of such measures,

TAKING into account that for the objective of expansion of, and restoration of an orderly situation in, world trade, the active participation of countries members and not members of the General Agreement on Tariffs and Trade (GATT) is essential,

HAVING regard to the recommendations contained in Part IV of the General Agreement, recognized in the Tokyo Declaration and adopted in Resolution 96(IV) of the United Nations Conference on Trade and Development (UNCTAD), for differential treatment to be granted by developed countries in favour of developing countries,

The adherents hereby agree the following:

AUTOMATIC IMPORT LICENSING SYSTEM

1. For the purposes of this Code, automatic import licensing system is defined as the administrative procedure whereby licences or other documents needed to import products whose entry is authorized systematically prior to the contracting of the imports, are granted and/or issued promptly.
2. The automatic import licensing system shall not be administered in a manner that has a restricting effect on imports of the products covered by that system, in particular imports from developing countries.
3. As from ..., developed countries shall eliminate the automatic licensing system for import of goods from developing countries.
4. In the course of the period set for elimination of the automatic import licensing system by developed countries, the latter shall not remove from that system products from developing countries in order to bring them under a stricter system, except for the purpose of eliminating the licence requirement.

5. The rules governing presentation of applications for automatic licences and presentation of related formalities¹, and the lists of products subject to the automatic import licensing system shall be published promptly. The said rules and lists may be amended at any time by developing countries without prior notice. Any changes in either the rules governing the automatic import licensing system, or the lists of products subject to that system shall also be published promptly.

Similarly, the rules governing presentation of applications for automatic licences and presentation of related formalities, and changes thereto, shall be notified annually to Each country shall likewise promptly notify the said whenever an automatic licensing requirement is introduced or removed in respect of the product concerned.

6. All persons, firms and institutions which fulfil the legal requirements of the importing country for engaging in import operations involving products subject to the automatic import licensing system shall be equally eligible to apply for and obtain licences or other documents needed for effecting importation.

7. Application forms for automatic licences and those required for other formalities shall be as simple as possible. Where absolutely necessary, a pro forma invoice may be required together with the application or formality, to determine the value, quantity, nature and composition of the product.

Similarly, if domestic legislation existing at the time of signature of this Code so provides, other documents necessary for determining the value, quantity, nature and composition of the product may be required.

8. No application or formality shall be refused by reason of errors that do not alter the basic data contained therein.

No adherent shall impose substantial penalties or refuse an application or formality because of minor and easily rectifiable errors in documentation annexed thereto. In particular, no penalty in respect of any omission or error in the documentation obviously made without fraudulent intent or gross negligence shall be greater than necessary to serve as a warning.

¹"Formalities" are the documents that must be completed to initiate the process for other measures and practices having effects equivalent to automatic import licensing.

9. To obtain a licence or other document needed to effect the importation, the applicant shall have to approach only one competent organ, previously specified in the relevant rules referred to in paragraph 5 above.

Adherent countries whose domestic legislation still provides for the presentation of the application for licence or formality to more than one department shall harmonize their procedures as rapidly as possible in such a manner that the applicant has to apply to only one competent organ.

10. Applications for licences or formalities may be presented on any business day, as prescribed by the legislation and practices of the importing country.

11. Applications for licences and formalities which are properly presented and duly executed shall be granted or issued as soon as possible.