

**REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES<sup>1</sup>**

Notification under Article 7.3 of the  
Agreement on Import Licensing Procedures<sup>2</sup>

**EUROPEAN COMMUNITIES**

The following notification, dated 28 September 1999, has been received from the Permanent Delegation of the European Communities.

Outline of system

1. The Community import licensing system is based on the premise that no import licences are required except where specific products are subject to quantitative restrictions, safeguard measures or import surveillance. The Community applies no quantitative quotas to WTO Members in the industrial sector except for certain products in the textiles field. There are also a number of products subject to Community surveillance with the purpose of strengthening the control on the import trends of the products concerned, but with no intention of limiting market access. The coverage of products subject to Community licensing systems appears in the annexes referred to in replies to questions 2 and 3. The relevant legislation is mentioned in reply to question 5.

The import licensing scheme for agricultural products serves statistical purposes and is an automatic licensing system. The competent authorities in the Member States issue import licences to every applicant. Import licences are subject to a security and are valid in all the Member States of the Community. Import licences have to be submitted with the import declaration.

Furthermore, a licence is required in respect of a number of tariff quotas in the agricultural sector.

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<sup>1</sup> See document G/LIC/3, Annex, for the Questionnaire.

<sup>2</sup> The notification relating to agricultural tariff rate quotas is contained in Addenda to this document: G/LIC/N/3/EEC/2/Add.1-27 (Add.1 - Live bovine animals; Add.2 - Live young male bovine animals; Add.3 - High-quality beef & frozen buffalo meat; Add.4 - Frozen meat of bovine animals; Add.5 - Frozen beef intended for processing; Add.6 - Frozen thin skirt of bovine animals; Add.7 - Live sheep & goats and meat of sheep & goats; Add.8 - Manioc; Add.9 - Manioc, arrowroot, salep & similar roots & tubers; Add.10 - Sweet potatoes & manioc starch; Add.11 - Broken rice; Add.12 - Millet; Add.13 - Cane & beet sugar; Add.14 - Raw cane sugar for refining; Add.15 - Preserved mushrooms; Add.16 - Bran, sharps & other residues; Add.17 - Preparations of a kind used in animal feeding; Add.18 - Certain pigmeat products; Add.19 - Certain pigmeat products; Add.20 - Certain poultry & turkey products; Add.21 - Eggs, egg albumin, etc.; Add.22 - Quality wheat; Add.23 - Oats; Add.24 - Worked oats; Add.25 - Rice; Add.26 - Bananas; Add.27 - Grape juice & grape must).

Purpose and coverage of licensing

2. See reply 1.
3. See the following table.

<i>Licensing system</i>	<i>Product coverage</i>	<i>Country coverage</i>
Quantitative quotas (other than textiles)	None for WTO Members.	Not applicable.
Community surveillance (other than textiles)	<p>a. Certain iron and steel products. Council Reg. No.2845/98. See <u><b>Annex I</b></u><sup>3</sup>.</p> <p>b. Certain ECSC steel products Council Regs. No. 1002/99, 248/99, 166/99, 288/99, 1093/99, 190/98, 2135/97, 1526/97. See <u><b>Annex II</b></u><sup>3</sup>.</p> <p>c. Certain agricultural products. See <u><b>Annex III</b></u><sup>3</sup>.</p>	<p>Third countries, except EFTA countries, Turkey and countries which are parties to the EEA.</p> <p>Bulgaria, Romania, Czech Republic, Slovakia, Poland, FYROM, Russia, Ukraine</p> <p>All third countries.</p>
Textiles: Quantitative limits or surveillance	See <u><b>Annex IV</b></u> <sup>3</sup> .	See text below.

**I. TEXTILES**

Under the ATC the Community at present maintains quantitative restrictions in the textile field against the following third countries, which are Members of WTO: Argentina, Brazil, Hong Kong, India, Indonesia, Macao, Malaysia, Pakistan, Peru, Philippines, Singapore, South Korea, Sri Lanka and Thailand (Basic Regulation 3030/93). Consultation levels were established with Egypt.

Furthermore, it should be noted that the Community maintains administrative arrangements with Bangladesh, Kyrgyzstan, Latvia, Mongolia and the United Arab Emirates, all WTO Members, under which imports into the Community of products falling under a number of categories of textile products are subject to a double-checking system without quantitative restrictions (surveillance according to Annex III of Regulation 3030/93).

Moreover, the Community maintains bilateral agreements on trade in textile products with the following non-WTO Members: Armenia, Azerbaijan, Belarus, Cambodia, China (MFA-type Agreement and Agreement on silk, linen and ramie), Estonia, Former Yugoslav Republic of Macedonia, Georgia, Kazakhstan, Laos, Lithuania, Moldova, Nepal, Russian Federation, Ukraine, Uzbekistan, Tajikistan, Turkmenistan, and Vietnam. It should be noted that of these countries only Belarus, China, Ukraine, Uzbekistan and Vietnam are subject to quantitative restrictions (Basic Regulation 3030/93).

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<sup>3</sup> Available for consultation in the Secretariat (Market Access Division).

In addition, the Community maintains autonomous quantitative restrictions on imports from a number of non-WTO Members with which no bilateral agreements exist: Bosnia-Herzegovina, Croatia, Federal Republic of Yugoslavia, North Korea and Taiwan.

For agricultural tariff quotas subject to import licensing see reply to question 6.

4. The Community applies no quantitative quotas to WTO Members in the industrial sector except for certain products in the textile field where the licensing is intended to restrict the quantity and/or value of imports.

The purpose of import licensing procedure for products under surveillance is for statistical reasons and to strengthen control on imports originating from the country concerned and, more specifically, to improve control on the origin of the products concerned. It is intended to monitor import trends and not to restrict the quantity or value of imports. The systems are based on an automatic licensing.

In some cases a double-checking system is applied (certain textile and steel products) with an export document issued by third country authorities. The aim of the double-checking system is to improve transparency and to avoid possible diversion of trade and custom fraud by rapid provision of information on the trend of trade flows.

See also reply to question 1.

#### *Legislative basis*

5. Licensing is statutorily required for the products listed in the relevant legislative texts. Product coverage is defined in the legislation and is not subject to administrative discretion. The system cannot be abolished without legislative approval (regulations generally contain provisions relating to the duration and expiry of the licensing regime).

#### *General*

Council Regulation (EC) 519/94 of 7 March 1994 (as last amended by Council Regulation (EC) No 1138/98 of 25.5.98) established common rules for imports from certain third countries.

## **II. TEXTILE PRODUCTS**

### **A. TRADE WITH WTO MEMBER COUNTRIES AND COUNTRIES WITH BILATERAL AGREEMENTS:**

#### **1. Trade in products not subject to normal GATT rules ("products not integrated" in WTO):**

- (a) Basic Regulation: Council Regulation (EEC) No. 3030/93 (OJ No. L 275, 8.11.93, p. 1) - on common rules for imports of certain textile products from third countries.

*[as amended by:*

- *Council Regulation (EC) No. 3289/94 (OJ No. L 349, 31.12.94, p. 85) – amends Regulation 3030/93.*

- *Commission Regulation (EC) No. 1410/96 (OJ No. L 181, 20.7.96, p. 15) - concerning the partial withdrawal of Regulation 3053/95.*

- *Commission Regulation (EC) No. 2231/96 (OJ No. L 307, 28.11.96, p. 1) - amends Annexes I, II, III, V, VI, VII, VIII, IX and XI to Regulation 3030/93.*
- *Council Regulation (EC) No. 2315/96 (OJ No. L 314, 4.12.96, p.1) - list products to be integrated into GATT 1994 on 1.1.98 - amends Annex X to Regulation 3030/93 and Annex II to Regulation 3285/94.*
- *Commission Regulation (EC) No. 447/97 (OJ No. L 68, 8.3.97, p. 16) - quantitative limits - OPT - China.*
- *Council Regulation (EC) No. 824/97 (OJ No. L 119, 8.5.97, p. 1) - amends Regulation 3030/93.*
- *Commission Regulation (EC) No. 339/98 (OJ No. L 45, 16.2.98, p. 1) - amends Annexes I, II, III, V, VI, VII, VIII and IX to Regulation 3030/93.*
- *Commission Regulation (EC) No. 856/98 (OJ No. L 122, 24.4.98, p. 11) - amends Annexes I, II, III, V, VII, VIII and IX to Regulation 3030/93.*
- *Commission Regulation (EC) No. 1053/98 (OJ No. L 151, 21.5.98, p. 10)- amends Annexes II, III and IX to Regulation 3030/93.*
- *Commission Regulation (EC) No. 2798/98 (OJ No. L 353, 29.12.98, p. 1) - amends Annexe I to Regulation 3030/93.]*

(b) Derogation from Basic Regulation:

- *Council Regulation (EC) No. 1087/97 (OJ L 158, 17.6.97, p1) - authorizing imports into Canary Islands and certain quota products originating in China without quantitative restrictions.*

(c) Regulations granting additional limits for European fairs:

- 1998: *Commission Regulation (EC) No. 283/98 (OJ No. L 28, 4.2.98, p. 9)*
- 1999: *Commission Regulation (EC) No. 36/1999 (OJ No. L 5, 9.1.99, p. 57)*

**2. Trade in products subject to normal GATT rules "products integrated" in WTO:**

- *Council Regulation (EC) No. 3285/94 (OJ No. L 349, 31.12.94, p. 53) – repeals Regulation 518/94.*

*[As amended by:*

- *Council Regulation (EC) No. 139/96 (OJ No. L 21, 27.1.96, p. 7) - amends Regulation 3285/94 and Regulation 519/94 with respect to the uniform Community surveillance document.*
- *Council Regulation (EC) No. 2315/96 (OJ No. L 314, 4.12.96, p.1) - list of products to be integrated into GATT 1994 on 1.1.98 and amends Annex X to Regulation 3030/93 and Annex II to Regulation 3285/94.]*

B. IMPORTS FROM OTHER COUNTRIES ("AUTONOMOUS REGIME"):

1. **Basic Regulation: Council Regulation (EC) No. 517/94 (OJ No. L 67, 10.3.94, p. 1) - on common rules for imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Community import rules**

*[As amended by:*

- *Commission Regulation (EC) No. 1470/94 (OJ No. L 159, 28.6.94, p. 14) - opens quantitative import quotas for products (cat. 160) from China and amends Annexes IV and V to Regulation 517/94.*

- *Commission Regulation (EC) No. 1756/94 (OJ No. L 183, 19.7.94, p. 9) - opens quantitative import quotas (cat. 122, 123, 124, 125 B, 140 and 146 C) from China and amends Annexes IV and V of Regulation 517/94.*

- *Commission Regulation (EC) No. 2612/94 (OJ No. L 279, 28.10.94, p. 7) - opens quantitative import quotas (cat. 127 B and 145) from China and amends Annexes IV and V to Regulation 517/94.*

- *Commission Regulation (EC) No. 2980/94 (OJ No. L 315, 8.12.94, p. 2) - opens quantitative import quotas (cat. 146A and 146B) from China and amends Annexes IV and V to Regulation 517/94.*

- *Commission Regulation (EC) No. 3168/94 (OJ No. L 335, 23.12.94, p. 23) - establishes in the field of application of Regulation 517/94 a Community import licence and amending certain provisions of the Regulation.*

- *Council Regulation (EC) No. 1325/95 (OJ No. L 128, 13.6.95, p. 1) - amends Regulation 517/94.*

- *Commission Regulation (EC) No. 1627/95: (OJ No. L 155, 6.7.95, p. 8) - amends Regulation 3168/94, establishes in the field of 517/94 a Community import licence and amends certain provisions of the Regulation.*

- *Council Regulation (EC) No. 538/96 (OJ No. L 79, 29.3.96, p.1) - amends Regulation 517/94 concerning imports of products - Yugoslavia (Serbia and Montenegro).*

- *Commission Regulation (EC) No. 1476/96 (OJ No. L 188, 27.7.96, p. 4) - opens quotas for imports of products falling within cat. 87 and 109 originating in North Korea and amends Annexes IV and V to Regulation 517/94.*

*(corrigendum in OJ No. L 225, 6.9.96, p. 11)*

- *Commission Regulation (EC) No. 1937/96 (OJ No. L 255, 9.10.96, p. 4) - amends Annexes III B and VI to Regulation 517/94.*

- *Commission Regulation (EC) No. 1457/97 (OJ No. L 199, 26.7.97, p. 6) – amends annexes IIIB, IV and VI to Regulation 517/94.]*

## **2. Regulations concerning the import licence:**

- Commission Regulation (EC) No. 3168/94 (OJ No. L 335, 23.12.94, p. 23) - establishes in the field of application of Regulation 517/94 a Community import licence and amending certain provisions of the Regulation.

*[As amended by:*

- *Commission Regulation (EC) No. 1627/95 (OJ No. L 155, 6.7.95, p. 8) - amends Regulation 3168/94, establishes in the field of application of Regulation 517/94 a Community import licence and amends certain provisions of the Regulation.]*

## **3. Regulations concerning the distribution of quotas:**

- Commission Regulation (EC) No. 2458/97 (OJ No. L 340, 11.12.97, p. 31) – (end 31.12.98) - distribution of quotas for 1998 pursuant to Regulation 517/94.

## **4. Imports from Taiwan:**

- Council Regulation (EC) No. 47/1999 (OJ No. L 12, 16.1.99, p. 1) – arrangements for imports
- Taiwan

### **C. OUTWARD PROCESSING TRAFFIC (OPT):**

- 1. Basic Regulation: Council Regulation (EC) No. 3036/94 (OJ No. L 322, 15.12.94, p. 1) - establishes economic outward processing arrangements to products reimported into the Community after working in certain third countries. (corrigenda in OJ No. L 135, 6.6.96, p. 35)**
- 2. Implementing Regulation: Commission Regulation (EC) No. 3017/95 (OJ No. L 314, 28.12.95, p. 40) - repeals Commission Regulation (EC) No. 1816/95 (OJ No. L 175, 27.7.95, p.21)**

### **D. OTHER COMMUNICATIONS AND INFORMATIONS:**

- OJ No. C 52, 19.2.98, p.3: List of national competent authorities.
- OJ No. C 71, 7.3.98, p.2: List of Members of the World Trade Organization.
- OJ No. C 321, 20.10.98, p. 27: Notice on SIGL Website (information on quota levels for textile products).

## **III. STEEL PRODUCTS**

Community prior surveillance: Commission Regulation (EC) No. 2845/98 of 22.12.98, OJ L 354 of 30.12.98, p. 55.

Double-checking systems without quantitative limits: Council Regulations (EC) No.1002/99 (Bulgaria OJ L 123 OF 13.5.99, p. 18), 248/99 (Czech Republic, OJ L 129 of 3.2.99, p.1), 166/99 (Romania OJ L 166 of 26.1.99), 288/99 (Slovakia OJ L 36 of 10.2.99, p. 1), 1093/99 (Poland OJ L 133 of 28.5.99), 190/98 (FYROM, OJ L 20 of 27.1.98, p. 20), 2135/97 (Russia, OJ L 300 of 4.11.97), 1526/97 (Ukraine, OJ L 210 of 4.8.97).

#### **IV. AGRICULTURAL PRODUCTS**

In the agricultural sector, the following legislation includes provisions related to import licensing:

**A. GENERAL:**

Commission Regulation (EEC) No. 3719/88 laying down common detailed rules for the application of the system of import and export licences and advance fixing certificates for agricultural products as amended.

**B. CEREALS AND RICE:**

Council Regulation (EEC) No. 1766/92 of 30 June 1992 on the common market organization for cereals as amended (Article 9).

Council Regulation (EC) No. 3072/95 of 22 December 1995 on the common organization of the market in rice as amended (Article 9).

Commission Regulation (EC) No. 1162/95 of 23 May 1995 laying down special detailed rules for the application of the system of import and export licences for cereals and rice.

**C. BEEF AND VEAL:**

Council Regulation (EC) No. 1254/99 of 17 May 1999 on the common market organization in the beef sector as amended (Article 29).

Commission Regulation (EC) No. 1445/95 of 26 June 1995 on rules of application for import and export licences in the beef and veal sector and repealing Regulation (EEC) No. 2377/80 as amended.

**D. SHEEPMET AND GOATMEAT:**

Council Regulation (EC) No. 2467/98 of 3 November 1998 on the common organization of the market in sheepmeat and goatmeat as amended (Article 14).

Commission Regulation (EC) No. 1439/95 of 26 June 1995 laying down detailed rules for the application of Council Regulation (EEC) No. 3013/89 as regards the import and export of products in the sheepmeat and goatmeat sector as amended.

**E. MILK AND MILK PRODUCTS:**

Council Regulation (EEC) No. 804/68 of 27 June 1968 on the common market organization in the milk and milk product sector as amended (Article 13).

Commission Regulation (EC) No. 1374/98 of 29 June 1998 laying down detailed rules for the application of the import arrangements and opening tariff quotas for milk and milk products as amended.

**F. SUGAR:**

Council Regulation (EEC) No. 1785/81 of 30 June 1981 on the common organization of the markets in the sugar sector as amended (Article 13).

Commission Regulation (EC) No. 1464/95 of 27 June 1995 on special detailed rules for the application of the system of import and export licences in the sugar sector as amended.

G. FRUIT AND VEGETABLES, PROCESSED:

Council Regulation (EC) No. 2201/96 of 28 October 1996 on the establishment of a common organization of the market of products processed from fruit and vegetables (Article 11).

Commission Regulation (EC) No. 1921/95 of 3 August 1995 laying down detailed rules for the application of the system of import licences for products processed from fruit and vegetables as amended.

H. BANANAS:

Council Regulation (EEC) No. 404/93 of 13 February 1993 on the common organization of the market of bananas as amended (Article 17) by Council Regulation (EC) 1637/98 of 20 July 1998.

Commission Regulation (EEC) No. 2362/98 of 28 October 1998, laying down detailed rules for the application of the arrangement for importing bananas into the Community.

I. OIL AND FATS:

Council Regulation (EEC) No. 136/66 of 22 September 1966 on the establishment of a common organization of the market in oils and fats as amended (Article 2).

Commission Regulation (EC) No. 1476/95 laying down special detailed rules for the application of the system of import licences in the olive oil sector.

J. SEEDS:

Council Regulation (EEC) No. 2358/71 of 26 October 1971 on the common organization of the market in seeds as amended (Article 4).

Commission Regulation (EEC) No. 1117/79 of 6 June 1979 specifying the products in the seed sector to be subject to the system of import licences as amended.

K. WINE:

Council Regulation (EEC) No. 822/87 of 16 March 1987 on the Common market organization for wine as amended (Article 52).

Commission Regulation (EEC) No. 3388/81 of 27 November 1981 laying down special detailed rules in respect of import and export licences in the wine sector as amended.

Procedures

6. (The answers provided to question 6, I-XI, relate exclusively to textiles, with the exception of the reference to agricultural tariff quotas).

I. Information related to the allocation of the quotas, the formalities for licence applications and the amount of goods allocated to each country is published in the Official Journal of the European Communities (see reply 5). There is no derogation from the licensing requirement.



II. The size of textile quotas is determined on a yearly basis. There are no cases where the size of the quota is determined on a yearly basis and where import authorisations would be issued for imports on a six-monthly or quarterly basis.

III. The issuing of import authorisations is not limited to domestic producers of like goods. The competent licensing authorities notify the Commission immediately after having been informed of any quantity that is not used during the duration of validity of the import authorisation. Such unused quantities are automatically transferred into the remaining quantities of the total of the Community quantitative limit for each category products and each third country concerned. Names of importers to whom import authorisations have been allocated are not made known to governments and exporting countries for privacy protection reasons.

IV. The authorised imports are charged against the quantitative limits laid down for the year in which the products are shipped in the supplier country concerned. An import authorisation is issued upon presentation of an export licence issued by the exporting country. This presentation must be effected not later than 31 March of the year following that in which the goods covered by the licence have been shipped. In exceptional circumstances a Member State may put the deadline for presentation of the export licence back to 30 June on a duly motivated request.

V. The licensing authorities have to issue an import authorisation within a maximum of five working days of the presentation by the importer of the original of the corresponding export licence.

VI. Import authorisations are valid for a period of six months from the date of their issue.

VII. Each Member State has only one national competent authority for the issuing of import authorisations.

VIII. Import authorisations are issued on a "first-come, first-served" basis. There are no special provisions for new importers. Applications are examined on receipt.

IX. Concerning trade with WTO Members and with countries with bilateral agreements, the so-called double-checking system applies. The competent authorities of the supplier countries issue an export licence in respect of all consignments of textile products subject to quantitative limits, up to the level of those limits. The importer shall present the original of the export licences for the purposes of the issue of the import authorisation. An import authorisation is not issued automatically but only after the Commission has confirmed that the amount requested is available within the quantitative limit in question.

X. There are no cases where imports are allowed on the basis of export permits only.

XI. There are no products for which licences are issued on condition that goods should be exported and not sold in the domestic market.

Agricultural tariff quotas subject to import licensing:

Some of the Community's agricultural tariff quotas are subject to import licensing. Licences may be issued on a pro-rata or an historical basis, or related to quotas administrated by exporting countries. Details have already been notified to this Committee in respect of certain poultry and

turkey products (document G/LIC/N/3/EEC/1/Add.1). Details of other agricultural tariff quotas subject to import licensing are being notified in parallel to this general notification.<sup>4</sup>

7. For products subject to Community surveillance (other than textiles):

(a)-(b) It is up to the applicant to decide when to apply for a licence, knowing that the document will be issued within a maximum of five working days of receipt of the application. Normally an import licence is presented at the moment of the import declaration and licences are granted immediately (except for sheepmeat and goatmeat and milk products).

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

(d) Several administrative organs can deliver import licences. The list of the competent authorities in the Member States delivering import licences is published in the "C" series of the Official Journal. The application must not be passed on to other organs for approval and the importer has to approach only one administrative organ.

For textile products subject to Community surveillance the following applies:

(a) The licensing authorities have to issue a surveillance document within a maximum of five working days:

- of the presentation by the importer of the original of the corresponding export licence (in the case of a double-checking system);

- of a request being submitted by the importer (in the case of a single-checking system).

(b) Surveillance documents are issued on the basis of "first-come, first-served".

(c) There are limitations as to the time of year during which applications may be made.

(d) A single administrative organ effects consideration of licence applications. The Commission services collect statistical information on products subject to simple or double-checking surveillance (SIGL electronic system).

For agricultural products the rules are as follows:

(a)-(b) Import licences must be presented to the customs authorities at the moment of acceptance of the import declaration. Import licences can be granted immediately, except for some products (sheepmeat and goatmeat and milk and milk products).

(c) No.

(d) Several administrative organs can deliver import licences. The list of the competent authorities in the Member States delivering import licences is published in the "C" series of the Official Journal. The application must not be passed on to other organs for approval and the importer has to approach only one administrative organ.

8. Failure to meet the ordinary criteria is the only circumstance in which licence applications may be refused.

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<sup>4</sup> The notification relating to agricultural tariff rate quotas is contained in Addenda to this document: G/LIC/N/3/EEC/2/Add.1-27. See also footnote 2.

Eligibility of importers to apply for licence

9. Import licences are issued without discrimination to any importer in the Community wherever the place of his establishment may be in the Community, without prejudice to compliance with the other conditions required under current rules. All persons are eligible to become importers.

Documentational and other requirements for application for licence

10. For certain EC and ECSC steel products the Community applies a dual licensing arrangement. In addition to the presentation of an import document issued by the competent authorities of the Member states, imports are subject to the issue of an export document issued by the competent authorities of the exporting country. (See questions 2 and 3.)

For textile products subject to quantitative limits: For information required in application see Annex V<sup>5</sup>. Sample form attached at Annex VI<sup>5</sup>.

The applicant is required to supply a copy of the bill of lading and of the purchase contract.

For textile products subject to Community surveillance : For information required in application see Annexes VII<sup>5</sup> and VIII<sup>5</sup>. Sample form attached at Annex VI<sup>5</sup>.

Concerning the application for the import authorisation in the case of a double-checking system for textiles, the applicant is required to supply a copy of the bill of lading and of the purchase contract. Concerning the application for the import authorisation in the case of a single-checking system the applicant is required to supply a certified copy of the bill of lading, letter of credit, contract, or any other commercial document indicating a firm intention to carry out the importation.

Applications for surveillance document (other than textile) shall be sent to or lodged with the competent administrative authorities in the Member States. Regarding the information required in applications see Annex IX<sup>5</sup>. A surveillance document sample form is attached as Annex X<sup>5</sup>.

In the agricultural field the application for an import licence has to be forwarded to or lodged with the competent authorities in the Member States conforming to the specimen set out in Annex XI<sup>5</sup>.

11. The licence/surveillance document itself or an extract is required upon importation. For textile products subject to quantitative limits/surveillance there is also, if needed, a requirement for a certificate of origin upon actual importation.

12. There is no licensing fee or administrative charge.

13. In general, there is no deposit or advance payment required associated with the issue of import authorisations. However, in the agricultural field the issuance of import licence is subject to a security in order to guarantee that the undertaking to import will be fulfilled during the period of validity of the licence. The amount of the security depending on the products is laid down in the specific Community provisions applicable to the relevant product sector. The security is released when the obligation to import is considered to have been fulfilled and the right to import under the licence is considered to have been exercised namely on the day the import declaration is accepted and the product concerned put into free circulation.

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<sup>5</sup> Available for consultation in the Secretariat (Market Access Division).

Conditions of licensing

14. For textile products subject to quantitative limits/surveillance, import authorisations/surveillance documents are valid for a period of six months from the date of their issue. Upon a duly motivated request by an importer, the competent authorities of a Member State may extend the duration of validity for a further period of three months. In exceptional circumstances, an importer may request a second period of extension. These exceptional requests may only be granted by a decision of the textile committee, composed of representatives of the Member States and chaired by a Commission. The period of validity of the import licences depends on the products, please refer to Annex IV. The validity of a licence can only be extended in case of "force majeure".

For agricultural products the period of validity of the import licences depends on the products. (See Annex XII<sup>6</sup>. The validity of a licence can only be extended in case of "force majeure".

For steel products subject to prior surveillance and double-checking without quantitative limits, the period of validity of a surveillance document is four months and it could be renewed for four months.

15. There is no penalty for the non-utilisation of an import authorisation/surveillance document or a portion of it. However, for a licence in the agricultural field, the security is forfeit in whole or in part if import is not carried out, or only partly carried out during the period of validity of the licence.

16. Import authorisations are not transferable between importers. Import licences constitute an authorisation and give rise to an obligation to import under the licence during its period of validity. Obligations deriving from licences are not transferable but the rights deriving are transferable by the titular holder of the licence during its period of validity.

17. No other conditions are attached to the issue of an import authorisation for products subject to or not subject to quantitative restrictions.

Other procedural requirements

18. No other administrative procedures, apart from import licensing and similar administrative procedures are required prior to importation.

19. The banking authorities automatically provide foreign exchange for goods to be imported as well as to cover import licences. A licence is not required as a condition to obtaining foreign exchange.

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<sup>6</sup> Period of validity of import licences: Cereals and rice: 45 days from the date of issue, except for broken rice where the import licence is valid 30 days; beef and veal: 90 days from the date of issue; sheepmeat and goatmeat: 3 months from the date of issue; sugar, milk and milk products: from the date of issue until the end of the month; fruits and vegetables, processed: 3 months from the date of issue, except for preserved mushrooms: 9 months from the date of issue and validity cannot be extended beyond the year in which the licence is issued; bananas: seventh day of the fourth month after the month of issue; oils and fats: 60 days from the date of issue; wine: 4 months from the date of issue.