

E NON-AUTOMATIC LICENSING, QUOTAS, PROHIBITIONS AND QUANTITY CONTROL MEASURES OTHER THAN FOR SPS OR TBT REASONS

Control measures generally aimed at restraining the quantity of goods that can be imported, regardless of whether they come from different sources or one specific supplier. These measures can take the form of non-automatic licensing, fixing of a predetermined quota, or through prohibitions¹. All measures introduced for SPS and TBT reasons are classified in Chapters A and B above.

E1 Non-automatic import licensing procedures other than authorizations for SPS or TBT reasons

An import licensing procedure introduced, for reasons other than SPS or TBT reasons, where approval is not granted in all cases: the approval may either be granted on a discretionary basis or may require specific criteria to be met before it is granted.

E11 Licensing for economic reasons

E111 Licensing procedure with no specific ex-ante criteria

Licensing procedure where approval is granted at the discretion of the issuing authority: it may also be referred to as a discretionary licence.

Example: Imports of textile products are subject to a discretionary licence.

E112 Licensing for specified use

Licensing procedure where approval is granted only for imports of products to be used for pre-specified purpose: normally granted for use in operations generating anticipated benefit in important domains of the economy.

Example: Licence to import high-energy explosives is granted only if it is used for mining industry.

E113 Licensing linked with local production

Licensing only for imports of products with linkage to local production, including the local production level of the same product, except for such licensing classified as trade-related investment measures².

Example: License to import gasoline is granted only if domestic supply is insufficient;

E119 Licensing for economic reasons n.e.s.

E12 Licensing for non-economic reasons

E121 Licensing for religious, moral or cultural reasons

¹ Most quantity control measures are formally prohibited by the GATT 1994, but can be applied under specifically determined circumstances (e.g., Article XI of GATT 1994; Agreement on Safeguards: See E4, etc.).

² See I1-I3.

Control of imports by licence for religious, moral or cultural reasons:

Example: Imports of alcoholic beverages are permitted only by hotels and restaurants.

E122 Licensing for political reasons

Control of imports by licence for political reasons:

Example: Imports of all products from a given country is subject to import license.

E129 Licensing for non-economic reasons n.e.s.

E2 Quotas

Restriction of importation of specified products through the setting of a maximum quantity or value that is authorized for import. No imports are allowed beyond those maximums:

E21 Permanent

Quotas of a permanent nature (i.e. they are applied throughout the year, without a known date of termination of the measure) where the importation can take place any time of the year.

E211 Global allocation

Permanent quotas where no condition is attached to the country of origin of the product.

Example: A quota of 100 Tons of fish where the importation can take any time of the year, and there is no restriction on the country of origin of the product.

E212 Country allocation

Permanent quotas where a fixed volume or value of the product must originate in one or more countries.

Example: A quota of 100 Tons of fish that can be imported any time of the year, but where 75 Tons must originate in country A and 25 Tons in country B.

E22 Seasonal quotas

Quotas of a permanent nature (i.e. they are applied every year, without a known date of termination of the measure), where the importation must take place during a given period of the year.

E221 Global allocation

Seasonal quotas where no condition is attached to the country of origin of the product.

Example: An annual quota of 300 Tonnes of seaweed where the importation must take place between March and June, and there is no restriction on the country of origin of the product.

E222 Country allocation

Seasonal quotas where a fixed volume or value of the product must originate in one or more countries.

Example: An annual quota of 300 Tons of seaweed where the importation must take place during winter, and 60 Tons must originate in country A and 40 Tons in country B.

E23 Temporary

Quotas that are applied for on a temporary basis (e.g. they are only applied for one or two years), whether or not they are also seasonal in nature.

E231 Global allocation

Temporary quotas where no condition is attached to the country of origin of the product.

Example: An annual quota of 1000 Tons of fish and fish meat that will only be applied for three years where there is no restriction on the country of origin of the product.

E232 Country allocation

Temporary quotas where a fixed volume or value of the product must originate in one or more countries.

Example: An annual quota of 1000 Tons of fish and fish meat that will only be applied for three years, where the imports must take place during summer and 700 Tons must originate in country A, 200 Tons must originate in country B, and the remainder can originate in any country.

E3 Prohibitions other than for SPS and TBT reasons

Prohibition on the importation of specific products for reasons other than SPS (A1) or TBT (B1) reasons.

E31 Prohibition for economic reasons

E311 Full prohibition (import ban)

Prohibition without any additional condition or qualification:

Example: Import of “motor vehicle with cylinder under 1500cc” is not allowed to encourage domestic production.

E312 Seasonal prohibition

Prohibition of imports during a given period of the year. This is usually applied to certain agricultural products while the domestic harvest is in abundance.

Example: Import of strawberries is not allowed from March to June each year.

E313 Temporary prohibition, including suspension of issuance of licences

Prohibition set for a given fixed period of time unrelated to a specific season: it is usually for urgent matters not covered under the safeguard measures above.

Example: Import of certain fish is prohibited with immediate effect until the end of the current season.

E314 Prohibition of importation in bulk

Prohibition of importation in a large-volume container: importation is only authorized if the product is packed in a small retail container, which increases per unit cost of imports.

Example: Import of wine is allowed only in a bottle of 750ml or less.

E315 Prohibition of products infringing patents or other intellectual property rights

Prohibition of copies or imitations of patented or trademarked products:

Example: Import of imitation brand handbags is prohibited.

E316 Prohibition of used, repaired or remanufactured goods

Prohibition to import goods that are not new

Example: prohibition to import used cars

E319 Prohibition for economic reasons, n.e.s.

E32 Prohibition for non-economic reasons

E321 Prohibition for religious, moral or cultural reasons

Prohibition of imports for religious, moral or cultural reasons not established in technical regulations.

Example: Imports of books and magazines displaying pornographic pictures are prohibited.

E322 Prohibition for political reasons (embargo)

Prohibition of imports from a country or group of countries, applied for political reasons:

Example: Imports of all goods from Country A are prohibited in retaliation to that country's testing of nuclear bombs.

E329 Prohibition for non-economic reasons, n.e.s.

E5 Export restraint arrangement

An arrangement by which an exporter agrees to limit exports in order to avoid imposition of restrictions by the importing country, such as quotas, raised tariffs or any other import controls³. The arrangement may be concluded at either government or industry level.

E51 Voluntary export restraint arrangements (VERs)

Arrangements made by government or industry of an exporting country to “voluntarily” limit exports in order to avoid imposition of mandatory restrictions by the importing country. Typically, VERs are a result of requests made by the importing country to provide a measure of protection for its domestic businesses that produce substitute goods.

E511 Quota agreement

A VER agreement that establishes export quotas:

Example: A bilateral quota on export of “motor vehicles” from Country A to Country B was established to avoid sanction by the latter.

E512 Consultation agreement

A VER agreement that provides for consultation with a view to introducing restrictions (quotas) under certain circumstances:

Example: An agreement was reached to restrict export of cotton from Country C to Country D in case the volume of export exceeds \$2 million tons in the previous month.

E513 Administrative co-operation agreement

A VER agreement that provides for administrative cooperation with a view to avoiding disruptions in bilateral trade:

Example: An agreement was reached between Country E and Country F to cooperate to prevent sudden surge of exports.

E59 Export restraint arrangements n.e.s.

E6 Tariff Rate Quotas

³ Such arrangements are formally prohibited by the WTO Agreements.

A system of multiple tariff rates applicable to a same product: the lower rates apply up to a certain value or volume of imports, and the higher rates are charged on imports which exceed this amount.

Example : Rice may be imported free of duty up to the first 100,000 tons, after which it is subject to a tariff rate of \$1.5 per kg.

E61 WTO bound TRQs

TRQs (as described above) included in WTO schedules.

E611 Global allocation

WTO bound TRQs where no condition is attached to the country of origin of the product.

Example: A WTO TRQ provides for duty-free import of milk and cream up to 2,000 tonnes with no condition attached to the country of origin.

E612 Country allocation

WTO bound TRQs where a fixed volume or value of the product must originate in one or more countries.

Example: A WTO TRQ of 200,000 tons of poultry with an in-quota duty of 12 % is available and half of the quantity must originate from country A.

E62 Other TRQs

TRQs (as described above) included in other trade agreements.

E621 Global allocation

Non-WTO TRQs where no condition is attached to the country of origin of the product.

Example: A non-WTO TRQ is available for 40,000 tonnes of beef with no condition attached to the country of origin.

E622 Country allocation

Non-WTO bound TRQs where a fixed volume or value of the product must originate in one or more countries.

Example: Fresh bananas from country A can be imported duty-free up to 4,000 tonnes.

E9 Quantity control measures n.e.s.