



**Asia-Pacific
Economic Cooperation**

2016/SOM1/CTI/014

Agenda Item: 7.1

**Workshop on Increasing Transparency,
Predictability and Reviewing Import License
Regimes**

Purpose: Information
Submitted by: New Zealand



**First Committee on Trade and Investment Meeting
Lima, Peru
28-29 February 2016**

APEC Concept Note

Project Title:	Workshop on increasing transparency, predictability and reviewing import license regimes
Fund Source (<i>Select one</i>): Self-funded	
APEC forum:	Committee on Trade and Investment
Proposing APEC economy:	New Zealand
Co-sponsoring economies:	Singapore
Expected start date:	June 2016
Expected completion date:	October 2016
<p>Project summary:</p> <p>Describe the project in under 150 words. Your summary should include the project topic, planned activities, timing and location:</p> <p><i>(Summary must be no longer than the box provided. Cover sheet must fit on one page)</i></p>	<p>Good progress is being made to reduce tariffs across the APEC region. As tariffs come down across the APEC region, the effects of non-tariff measures (NTMs) on market access are more pronounced. Furthermore, the Bogor Goals Progress Report has identified that the use of NTMs in APEC are increasing (as they are globally). Import licences appear to be one of the few non-tariff measures that have not previously been addressed by the CTI, despite being in place in a number of APEC economies. The aim of this self-funded project is to hold a workshop in Singapore in early 2016 where import license regulators and administrators are able to:</p> <ul style="list-style-type: none"> • Consider economic and policy rationales for, and policy alternatives to, import licensing regimes; • Learn about the WTO and FTA/RTA rules applicable to automatic and non-automatic import licensing regimes, as well as export licensing regimes; • Discuss best practice for design and administration of import licensing regimes; and • Develop recommendations for reducing the impact of import licenses on trade. <p>A proposed workshop agenda for comment is attached at Appendix 1.</p>
Total cost of proposal: (<i>Self-funding</i>): USD	Total amount being sought from APEC (USD): 0

Project Overseer Information and Declaration:

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As Project Overseer and on behalf of the above said Organization, I declare that this submission was prepared in accordance with the **Guidebook on APEC Projects** and any ensuing project will comply with said Guidebook.

Shannon Ward

Name of Project Overseer

Date: 4 August 2015

Project Synopsis

1. **Relevance – Benefits to region:** What problem does the project seek to address? What is the relevance of the project? Does it have sustained benefits to more than one economy?

Good progress is being made to reduce tariffs across the APEC region. As tariffs come down, however, the effects of NTMs on market access are more pronounced. Furthermore, the Bogor Goals Progress Report has identified that the use of NTMs in APEC are increasing (as they are globally). At CTI3 in 2014, New Zealand led a discussion on non-tariff measures that resulted in CTI's agreement that it needed to intensify discussions on addressing trade-restrictive NTMs.

Import licences appear to be one of the few non-tariff measures that have not previously been addressed by the CTI, despite being in place in a number of APEC economies. Import licensing can be defined as administrative procedures requiring the submission of an application or other documentation (other than those required for customs purposes) to the relevant administrative body as a prior condition for importation of goods. They may be put in place to pursue a variety of economic and non-economic aims, but may operate as a barrier to trade if their administration is not simple, transparent and predictable. The operations SMEs may particularly be affected by import licensing regimes due to administrative/historical bias (i.e. if the grant of a licence places an importer in a favoured position in subsequent years), the prospect of uncertainty or delay in issuing import licences, and the administrative burden of applying for import licences. Good regulatory practice suggests that regulations should be reviewed systematically to ensure they continue to meet their intended objectives efficiently and effectively, but once in place, there is a risk that import licensing regimes can be perpetuated without reconsideration of their costs and benefits.

Under the ambit of Non-Agriculture Market Access (NAMA)'s NTMs negotiations at the WTO and under some of the recent FTAs/RTAs, some countries are also pushing for export licensing notifications. Apart from focussing on existing import licensing obligations, export licensing is an unexplored topic that has the potential to become a barrier to trade if abused.

2. **Objectives:** Describe the 2-3 key objectives of the project. (e.g. ensure workshop participants will be able to...; to create a framework...; to develop recommendations...; to build support...; to revise strategies...; to create an action plan;...to increase knowledge in; to build capacity in... etc.)

The aim of this project is to hold a workshop where import license regulators and administrators are able to:

- Consider economic and policy rationales for, and policy alternatives to, import licensing regimes;
- Learn about the WTO and FTA/RTA rules applicable to automatic and non-automatic import licensing regimes, as well as export licensing regimes;
- Discuss best practice for design and administration of import licensing regimes; and
- Develop recommendations for reducing the impact of import licenses on trade.

3. **Alignment – APEC:** Describe specific APEC priorities, goals, strategies, workplans and statements that the project supports, and explain how the project will contribute to their achievement.

The workshop aims to contribute to economies' achievements of the Bogor Goals by fulfilling the collective Commitment in the Osaka Action Agenda to pursue a series of seminars/policy discussions on non-tariff measures (NTMs). The workshop will also contribute to APEC's ongoing work on good regulatory practice and the APEC priority for 2015 of fostering SMEs' participation in the regional and global economy.

Alignment – Forum: Briefly explain how the project is aligned with your forum's workplan / strategic plan.

The project is consistent with the Committee on Trade and Investment's continued focus on advancing regional economic integration through achievement of the Bogor Goals and trade facilitation. The workshop may also contribute to addressing Chokepoint 5 of the Supply Chain Connectivity Framework (burdensome customs documentation and other procedures) and to

fulfilling the agreement in the APEC Strategic Blueprint for Promoting Global Value Chains Development and Cooperation to address trade issues that impact global value chains.

4. **Methodology:** How do you plan to implement the project? In this section, briefly address the following:

- **Workplan:** Project timelines, dates of key activities and deliverable outputs.
- **Beneficiaries:** The proposed selection criteria for participants, beneficiary profiles (e.g. workshop participants, end users, policy makers, researchers/analysts, gender) and how they will be engaged.
- **Evaluation:** Potential indicators developed to measure progress, project outcomes and impacts/successes. Where possible provide indicators which could assess impacts on women.
- **Linkages:** Information on other APEC and non-APEC stakeholders and how they will be engaged. If and how this proposal builds on (but does not duplicate) the work of other projects. How will this activity promote cross fora collaboration?

Timeline

September 2015 - Develop workshop program (see draft in Appendix 1).

October 2015 - Dispatch invitations to all APEC CTI member economies. Prospective participants of the workshop to advise of their intention to attend the workshop.

January/February 2016 - Conduct a one day workshop in Singapore.

CTI2 2016 – Circulate workshop report including draft recommendations for reducing the impact of import licenses on trade.

Stakeholders:

Trade policy-makers and officials from Trade, Customs and Agriculture ministries will be the primary beneficiaries of the workshop program.

Officials from APEC economies, experts from relevant international organisations and prominent scholars/professors with the expertise in international trade may be considered as speakers or presenters in the program.

The workshop will provide sponsored travel opportunities to one or two participants per travel-eligible economy pursuant to APEC guidelines.

Previous projects/activities:

Import licenses do not appear to have been addressed specifically by APEC in the past.

Communication: How you plan to communicate the results or benefits of this project to others

Workshop presentations and documents will be made available via the APEC Meeting Document Database. A summary of, and lessons derived from, the workshop will be presented to CTI and its relevant sub-fora.

Appendix 1: Draft Agenda as at 4 August 2015

APEC Workshop on Import Licenses

[Late May – Early June 2016]

[Singapore]

DAY 1	
8.30 - 9.00	Arrival/Registration/Coffee
9:00 am – 9:05 am	Welcome Remarks New Zealand APEC Deputy Senior Official, Wendy Matthews
9.05 am – 9.15 am	Introduction/overview of workshop
Session 1 9.15 am – 10.00 am	Economic and policy rationale for import licensing regimes and policy alternatives Discussion (Questions & Answers) (10 mins)
10.00 am – 10.30 am	Coffee Break
Session 2 10.30 am – 12.00 pm	Legal Frameworks: Relevant rules [Speaker from WTO on relevant WTO rules, including GATT, Agreement on Agriculture, Import Licensing Agreement and notification obligations; APEC Economy speaker on how import licences have been addressed in FTAs] Discussion (Questions & Answers) (10 minutes)
12.00 pm – 1.00 pm	Lunch
Session 3 1.00 pm – 2.30 pm	Best Practices: Designing and administering import licensing regimes in a least-trade restrictive manner [Speakers from APEC PSU/PECC/APEC governments] Discussion (Questions & Answers) (10 minutes)
Session 4 2.30 pm – 3.00 pm	Export Licenses: Relevant rules, economic and policy rationale, and policy alternatives Discussion (Questions & Answers) (10 minutes)
3.00 pm – 3.30 pm	Coffee Break
Session 5 3.30 pm – 4.00 pm	SME/Business Perspectives [Speakers from business/SMEs in APEC region talk about the impact of import and export licenses on their businesses]

	Discussion (Questions & Answers) (10 minutes)
<p>Session 6</p> <p>4.00 pm -5.20 pm</p>	<p>[Interactive session: moderated panel discussion or regulator round table]</p> <p>[Questions for discussion around continued economic/policy rationale for import and export licences; are review mechanisms in place to reconsider need for import and export licensing regimes; what changes could be made in your economies to decrease impact on SMEs/trade]</p> <p>Discussion (Questions & Answers) (10 minutes)</p>
5.20 pm – 5.30 pm	Wrap- up and evaluations