

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES¹

Notification under Article 7.3 of the
Agreement on Import Licensing Procedures

GEORGIA

The following communication, dated 8 October 2004, is being circulated at the request of the Delegation of Georgia.

Outline of systems

1. Import Licensing² system is regulated by Law of Georgia on "Licensing of Entrepreneurial Activity and the Basics of Issuing Permission". In addition to that:
 - (a) Issuance of permission for import of weapons is regulated by the Law of Georgia on "Armament" and by Presidential Decree N582; and under the Law of Georgia on "Control of import and Export of Armaments, Military Equipment and Dual Products".
 - (b) Issuance of permissions for products under veterinary control is regulated by the Law of Georgia on "Licensing of Veterinary Entrepreneurial Activities and Permission Issuing".
 - (c) Issuance of permissions for imports of pesticides is regulated by the following regulatory acts: the Law of Georgia on "Pesticides and Agricultural Chemicals", the Law of Georgia "on the Pesticide Production, Trade, Export, Import Licensing, as well as Issue of Permission for Import and Transit of Products of Floral Origin Subject of Control", also by the Law on "Licensing and Permission fees".
 - (d) Issuance of permission for import of medicines and medical materials is regulated by the following regulatory acts: Law of Georgia on "Licensing of the Medical and Pharmaceutical Activity", Law of Georgia on the Narcotics, Psychotropic Materials, Precursors and Narcological Aid", "General Administrative Code of Georgia" and the Law of Georgia on "Licensing and Permission Fees" as well as under the Decree of Minister of Labour, Health and Social Affairs of Georgia # 193/6 6 August 2004 on "Amendments to the Decree of Minister of Labour, Health and Social Affairs of Georgia No 153/N 21 July, 2003 on Adopted Rules on Import and Export of Narcotic Drugs and Psychotropic Substances and Precursors".

The licensing system is administered by the different governmental bodies.

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

² The word "Licence" is used with the meaning of "permission".

Purposes and coverage of licensing

2. The import of the following products is subject to licensing in Georgia:

- (a) chemical facilities for plant protection (pesticides);
- (b) wild animals and birds, fish, bones of extinct animals, hooves, wild plants, seeds of wood species of forest and similar materials;
- (c) industrial waste (the import of non-toxic industrial wastes is allowed only for the purpose of industrial processing. Import of toxic radioactive industrial wastes for the purpose of their utilisation, safe disposal, interment and any other purposes is prohibited);
- (d) military equipment and technique;
- (e) medicines and medical materials;
- (f) narcotics and psychotropic materials
- (g) meat and meat products;
- (h) Ferrous, copper and aluminium metal scrap;
- (i) product of dual purpose

In the case of (a), (b), the licence on importation is granted by the Ministry of Agriculture. In the case of (c) the licence is granted by the Ministry of Environment and Natural Resources.

In the case of (b), the permission on importation is granted by the Plant Protection Service at the Ministry of Agriculture and in case of (g) the permission on importation is granted by the Veterinary Department of the Ministry of Food and Agriculture.

In the case of (d), the permission on importation is granted by the Ministry of Justice according to the recommendation of the Permanent Joint Committee on Military-Technical Issues of the Council of National Security.

In the case of (e) and (f), the permission is granted by the Ministry of Labour, Health and Social Affairs of Georgia, taking into account the requirements of the existing UN Convention.

In the case of (h) and (i) the licence is granted by the Ministry of Economic Development.

3. The licensing applies to any product imported from any country, and products originating in any country.

4. In case of the licensing specified in paragraph (a), (b), (c), (d), (e), (f), (g) and (i) the relevant requirement does not include any quantitative or value restrictions. In these cases the objective is the protection of the ecology and safety of food products. In the case of (d), licensing is intended to prevent the proliferation of weapons of mass distraction. It also aimed to protect the interests of international and national security. Only the case of the licence (h) is considered as quantitative restrictions. In the case of (h) and (i) the licence is required for revenue protection and control..

5. In the case of (a), (c), (d) and (e) above, the import permission procedures are implemented on the basis of the Law of Georgia on "Licensing of Entrepreneurial Activity and Bases of Issuing Permission" and Law on "licensing and Permission Fees", by the Ministry of Economic Development of Georgia.

The import of medical agents are regulated by the following regulatory acts Law of Georgia on "Licensing of Entrepreneurial Activity and Bases of Issuing of Permission", "General Administrative Code of Georgia", the Law of Georgia "on the Medical and Pharmaceutical Activity", the Law of Georgia on "Armament"; No. 582 of October 15, 1997 and No. 103 of March 13, 1999 – Decree of the President of Georgia regulating "the Rules for Issuing Licences on Weapons for

Military Purposes and Personal Weapons, Technical Documentation, Activities of Weapon Industry Services, Trade in Weapons, Export Transit, Re-export and Import of Weapons", with attached provisions, and also by the manual of the Ministry of Justice of Georgia.

The Government of Georgia has no authorization to abolish the system without legislation amendments. The abolishment of system requires legislative changes.

Procedures

6. There are quantitative restrictions on imports of poisons, narcotics and also those medical agents, which are under special control, the quotas of which are determined by the Ministry of Labour, Health and Social Affairs of Georgia, taking into account the requirements of the existing UN Convention.

I. The information is published in the official Georgian agency of the press: "Georgian legislative news".

II. The size of quotas on weapons and other military equipment is determined by the Permanent Joint Committee of Military-Technical Issues of the Council of National Security.

The Ministry of Health, Labour and Social Affairs of Georgia determines the size of quotas on poisons and narcotic substances, as well as for Psychotropic materials.

The size of quotas for import of chemical facilities for plant protection is determined by the Ministry of Finance, Ministry of Agriculture and Food, Ministry of Economy and Ministry of Tax Revenue according to the joint Decree of the above-mentioned Ministries.

The size of quotas is determined on an annual basis. If the size of quota is determined on an annual basis but licences are issued for imports on a six-monthly or quarterly basis, importers have to apply for a new licence. On Psychotropic materials size of quotas are determined on three years basis.

III. According to the Manual of the Ministry of Justice, importers may import the licensed commodities until the quotas determined by the Council of National Security are exhausted. The names of importers to whom licences have been allocated are known to the executive branches of the government of Georgia, as well as export promotion bodies of the exporting countries.

IV. From the time of announcing the opening of quotas, a period of at least 30 days is allowed for the submission of application for licence.

V. The maximum period to obtain a licence is 3 days after the acceptance of the application.

The refusal or permission on importation of weapons, military equipment and techniques is granted in ten days after reception of the application and the relevant documentation by the Ministry of Justice, which must include the recommendation of the Joint Permanent Commission of Military-Technical Issues of the Council of National Security.

VI. Importers are able to implement the importation as soon as they receive the licence.

VII. The Permanent Joint Commission of Military-Technical Issues of the Council of National Security considers the licence application on import of weapons, military equipment and techniques. The recommendation of the above-mentioned Commission is compulsory for the granting of the import licence by the Ministry of Justice.

VIII. There is no limitation on the granting of licences.

IX. The licence on import of weapons and military equipment is necessary in spite of the existence of export permits that are issued by exporting countries.

X. For products subject to special control in exporting country, submission of permission is required in advance.

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

- 7.(a) Application for a licence must be made 21 days prior to importation. The permission should be issued in 3 days after receiving the decision. Importer had the right to use permission after its entry into force. Short-time licensing, or licences for cargo which has already been delivered in port, is allowed only in exceptional cases according to the interests of the country.
- (b) Licences for importation of weapons, military equipment and other techniques cannot be granted immediately upon request.
- (c) There are no limitations specifying the period of the year during which application on import permission may be made.
- (d) Applications for licences for importation of weapons and military equipment must be considered by the Permanent Joint Commission of Military-Technical Issues of the Council of National Security, according to the recommendation of the Ministry of Justice, which considers the application during ten days. The recommendation of the Permanent Joint Commission of Military-Technical Issues of the Council of National Security is not compulsory and can be granted only by the Ministry of Justice of Georgia.

The permission on importation of chemical facilities for plant protection, wild animals and birds, fish, bones of extinct animals, hooves, wild plants seeds of wood species of forest and similar materials, products of tobacco, industrial waste (the import of non-toxic industrial wastes is allowed only for the purpose of industrial processing. Import of toxic radioactive industrial wastes for the purpose of their utilisation, safe disposal, interment and any other purposes is prohibited), which is carried out by the Ministry of Economic Development requires visa and approval from the Ministry of Environment and Natural Resources and Ministry of Agriculture.

In all other cases, consideration of licence applications is carried out by a singly administrative organ.

8. The reasons for rejection of a licence may be the following:

- (a) the documents presented by applicant do not fulfil the terms adopted by the local governmental bodies according to the relevant law;
- (b) the applicant is seeking for the same permission, which had been abolished before making a new application and since the abolishment no 6 month period has been yet expired;
- (c) the validity of previously requested permission in the same sphere was temporarily suspended and the basis for this suspension has not been eliminated yet

In the case of (a), (c) and (e) – threat of ecological damage or public health protection.

In the case of (d) security reasons.

The reasons for refusal are given to the applicant in written form. Applicant has the right to appeal for refusal in higher administrative organ or in the court.

Eligibility of importers to apply for licence

- 9.(a) Under restrictive licensing system – the eligibility to apply for permission on importation of pharmaceuticals and narcotic and psychotropic materials have only (a) judicial persons who has the licence on this activity and (b) medical-research institutions.
- (b) Under non-restrictive system any person has the right to obtain a licence.

Documentational and other requirements for application for licence

10. The application should include the following

- name of applicant;
- details of applicant;
- indication of details about the permission (duration; form);
- commodity description and quantity; and
- exporting country.
- if the applicant changes the above-mentioned information after receiving the permission they are obliged to inform the authorized body of this fact within seven days after the changes had taken place.

The following documentation should be submitted together with the application:

- the document confirming the payment of permission fees;
- import contract or transport invoice, consignment or customs declaration; and
- note from a bank on existence of a bank account.

The list of documents which must be presented by the applicant for obtaining a licence for importation of military equipment and other techniques are as follows:

- recommendation of the Joint Commission of Military-Technical Issues of the Council of National Security;
- application of legal or physical person;
- signed contract or protocol of intention;
- technical documentation of weapons for military purposes and personal weapons; permission on weapon industry, services, trade in weapons, transit, re-export and import of weapons, which is issued by the governmental institutions of those countries where the contracts were registered or the participation at the protocol of intention;
- in case of necessity the existence of the certificate of final consumer, if the person obtaining the licence is not the consumer himself;
- the original of the certificate of final consumer, issued by import-involved institutions.

11. Upon actual importation it is required to present permission and documentation necessary for customs clearance.

12. The consideration of the application for obtaining a licence for the importation of weapons and other military techniques equipment and its issuing are chargeable. The amount is determined by the Ministry of Justice according to the Law of Georgia on "Prices and Pricing".

The products specified in cases (a), and (b) are free of charge.

The amount for licensing for products specified in case (d) constitutes 0.1 per cent of the paid-in amount for the budget transmission.

13. There is no advance payment.

Conditions of licensing

14. The licence is granted for the period of validity of the contract, but no more than one calendar year. The validity of a licence can be extended upon justified request of the applicant.

15. There are no penalties for the non-use of a licence.

16. The issued licence cannot be transferred to another juridical person.

17. There are no other conditions attached to the issue of a licence.

Other procedural requirements

18. There are no other administrative procedures for obtaining a licence.

19. The imported goods are automatically provided with foreign exchange by banking authorities.

The licence is not always required as a condition of obtaining foreign exchange. Foreign exchange is always available to cover an issued licence. There are no formalities for obtaining foreign exchange.
