

## **Licences, Quotas and Controls**

### **Export Licences**

The export of certain goods from the UK requires an export licence or is subject to controls and regulation. The requirement for licences may apply to trade within the European Union, in some cases. The EU Treaty allows exceptions to the freedom to trade where there are compelling reasons of security or public health which cannot otherwise be protected. The relevant commodity code in the UK integrated tariff will specify whether an export licence is necessary.

### **Import Licences**

Licences and permits are required for the importation of certain types of goods into the United Kingdom. This requirement may depend on the type of product and on where the product originated from. The commodity code in the UK customs tariff will specify whether a licence is required. The Import Licensing Branch (ILB) of the Department of Business Enterprise and Regulatory Reform issues import licences in relation to a variety of goods.

### **Quotas and Preferences**

Import quotas act as a mechanism for the EU to secure the import of limited supplies of the specified goods at reduced rates of custom duty. The quotas will generally provide certain set amounts or values for particular goods and or provide reduced customs duties under certain conditions. When the quota runs out, the duty rates return to normal.

The limits in a quota can depend on quantity value, weight or a time limit. Certain quota duty reductions are given on a first come first served basis. They are administered in the UK by the Central Tariff Quota Unit.

The European Union has agreed preferential trade agreements with certain third countries outside the EU. Import preferences allow a range of products from outside the EU to be imported at reduced or nil rate of duty. Export preferences arrangements also exist with a number of third countries which in turn grant preferential rates of duty to goods originating in the EU. In order to qualify, the products must comply with rules of origin.

There are two types of preference scheme, autonomous and non-reciprocal. The generalised system of preferences (GSP) are reciprocal such as the agreements between the EU and South Africa, China, Mexico and Mediterranean countries.

## **Defence Goods and Embargoes**

There are restrictions on the export of defence goods. They also apply to goods which have civil use, but can be used for military purposes; so called dual use goods. Anything with a potential military use may be subject to licence. The export control section of the Department of Business Enterprise and Regulatory Reform in the UK list the restrictions that apply on their website.

There are strict controls in relation to bio-technology products. They must comply with export control regulations laid down by the Department of BERR. This is for the purpose of controlling goods potentially used in chemical warfare.

Exports to certain destinations require licences, where there are trade sanctions or arms embargoes apply.

## **Export Licences**

There are various types of licences:

- Standard individual export licence; these licences specify the quantity of the particular goods that may be exported to a specified importer.
- Open individual export licence; these are specific to the exporter and allows multiple shipments of specified goods to specified destinations.
- Open general export licence; these allow exporters of specific goods by any export destination.

## Chemicals

Export licences are required from the Health and Safety Executive (HSE) in connection with the movement of dangerous chemicals outside the EU. The prior consent procedure gives importing countries the opportunity to refuse or apply conditions to the import of dangerous chemicals.

Certain pesticides and hazardous chemicals must go through a notification procedure before being exported out of the European Union. In some cases, consent from the importing country is necessary. The procedure is overseen by the Health and Safety Executive.

Under the registration, evaluation and authorisation of chemicals (REACH) legislation importers and manufacturers of more than one tonne of chemicals must register with the European Chemicals Agency. Importers of dangerous chemicals must identify the hazards, provide the information about packaging and contain product safety information. Safety receipts detailing hazards are required for all consignments. A dangerous goods note is required where hazardous chemicals are transported.

Special packaging and labelling requirements apply to chemicals. Many goods used in biotechnology and pharmaceuticals are potentially hazardous and are subject to specific packaging, handling and transportation regulations.

The export of ozone depleting substances such as refrigeration and air conditioning products, certain fire fighting equipment, aerosols and solvents are controlled. Certain potentially harmful substances, such as carcinogenic substances or chemicals and animal hair are prohibited from import unless there is a health and safety executive (HSE) exemption certificate.

## **Cultural**

The Museums, Libraries and Archives Council has responsibility for export of antiques and works of arts. It is possible that an export licence may be required to export goods that are more than 50 years old and above a certain financial threshold.

## **Agricultural Products and Food**

A licence is necessary to import or export certain common agricultural products (CAP) from or to a country not in the EU. The licences are used to monitor and control the markets and are issued by the Rural Payment Agency. DEFRA (the Agricultural Department) issues the licences required to import meat, poultry, milk, livestock, plants, endangered species and furs. Fruit, vegetables, plant and plant products require a DEFRA phytosanitary (plant health certificate) and import licence.

Products of animal origin from within the EU must usually be accompanied by a Health Certificate. Products imported from outside the EU must be inspected at an approved border inspection post.

Imports of food must comply with regulations in relation to food safety, packaging, label and additives. Imports of organic food require authorisation before they can be marketed as organic.

Imports of animals and captive birds are controlled by the issuing of animal health certificates and post import veterinary inspection.

Trade in endangered plant or animal species must be accompanied by a CITES (Conventional and International Trade in Endangered Species) licence.

See our separate notes on CAP goods, agricultural goods and food controls. See also the articles on regulation in our agricultural guide.

## Drugs and Medicines

Licences are required for the import and sale of human and veterinary medicines and controlled drugs. The import and export of medicines and medical devices is regulated by the Medicines and Healthcare Products Regulatory Authority in the UK. The Irish Medicines Board is the equivalent body in Ireland. The regulatory bodies issue product and manufacturing licences and certificates.

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*This Guide is intended as an overview and broad outline of the matters covered in it. Its purpose is to inform and raise awareness. We are happy to offer specific legal advice on particular circumstances. This Guide should not be relied on as a substitute for comprehensive legal advice with reference to the particular circumstances.*

*While we have taken care in the preparation of this publication, we do not accept legal liability as a result of any reliance placed on anything in this Guide. The reader should rely only on specific legal or taxation advice.*