

Import Licensing Procedures

Council of Ministers Resolution No. 88 dated 06.04.1423H

Article 1 Definitions

The following terms shall have, wherever they occur in these procedures, the meanings listed in front of them:

1. Automatic import licenses: they are the licenses issued by the competent authority for all cases upon satisfaction of the requirements for obtaining the license, set out in these procedures.
2. The un-automatic import licenses: they are the licenses for which the competent authority has the discretionary authority to grant or refuse to grant.
3. The competent authority: it is the official body duly empowered to grant licenses.
4. Import licenses guide: it is the import licenses guide in the Kingdom of Saudi Arabia as per the text attached to the resolution of the Council of Ministers No. (84) dated 01.04.1421H.

Article 2

The following categories shall have the right to apply for the import licenses for the goods the import of which requires the issue of a license as a condition precedent.

- A. The companies, whether Saudi or foreign, or common projects registered by virtue of the laws applicable in the Kingdom of Saudi Arabia.
- B. The natural persons registered in the commercial register those licensed by the competent authority.
- C. The Saudi citizens, and foreign expatriates who obtained residence permits and not registered in the commercial register; provided that that imported goods are for their personal use and not imported with the intention of re-sale or distribution, and that it should be permissible to circulate them in the Kingdom in accordance with the applicable laws.

Article 3

The import license applications in relation to the categories set out in paragraphs (A) and (B) of article (2) shall be limited to the goods related to the scope of activities specified in their commercial registers.

Article 4

- A. Applications concerning automatic import licenses shall be submitted on any day before the customs clearing of the goods.
- B. Applications for obtaining automatic import licenses shall be considered and issued within a period not exceeding (10) ten days.
- C. Applications concerning non-automatic import licenses shall be submitted within (21) twenty one days before the final date for submission of a statement of the goods required to be imported. The specified allowance of time may be extended for (10) ten days in case justifications of the incoming applications are not completed.
- D. Applications concerning non-automatic import licenses related to anesthetic drugs or those drugs with mental effects and items and goods subject to control shall be treated in accordance international rules governing the circulation of these goods.

Article 5

Applications submitted for obtaining import license shall not be rejected due to slight mistakes which does not change the essential particulars set out in the documents of the application. And fines shall not be imposed for mistakes in the documents, unless there is bad faith or gross negligence.

Article 6

Without prejudice to the exigencies of scientific, health and regulatory consideration, the licensed imports shall not be refused as a result of slight changes in the value, or quantity, or weight from the amount specified in the license due to the differences that occur during shipment, or incidental differences on loading the loose goods, and other slight differences in conformity with the commercial practices common all over the world.

Article 7

Upon submission of applications for obtaining import licenses to the competent body such body shall coordinate with other concerned bodies in accordance with controls set forth in the import licenses guide.

Article 8

Without prejudice to the list of goods appended to the import licenses guide, non-automatic import licenses should be obtained for importing the goods enlisted in the following categories:

- A. Goods subject to the quantitative restrictions for reasons relating to preventive arrangements for the protection of national goods against the damages of increasing the imports of similar goods thereto.
- B. Goods subject to the quantitative restrictions for reasons relating to the protection of the balance of payments.
- C. Goods subject to the quantitative restrictions for reasons relating to the execution of programs and government policies concerning economic development.
- D. Goods of sensitive nature for reasons relating to the national security, or religion, or for reasons related to health or safety or public order or environment.

Article 9

The following provisions shall be applied in case of non-automatic import licenses:

- A. In relation to goods subject to the quantitative restrictions, the concerned body should publish in the Official Gazette the quantity of the quota on the basis of the value or volume, and dates of commencement and termination of the quota, and any change that may occur to them at least before (30) days from the dates of commencement of their implementation.
- B. In case of quota allocated between the supplying countries, all the interested countries in supplying the concerned goods shall be notified of the shares specified in the quota allocated as per the quantity or volume.

Such information should be published in the Official Gazette before the dates of commencement of receipt of the application for obtaining the licenses by a term not less than (30) thirty days.

- C. In cases in which it becomes necessary to specify the date of opening the quota early, information shall be published in this regard in the Official Gazette before the date of commencement of receipt of the new applications at least not less than (21) twenty one days.
- D. Applications for licensing shall be examined and considered either by rejection or acceptance within (30) thirty days from receipt of the applications, save in case there are exceptional reasons that make it difficult to abide by this period.

- E. In case the issue of the required license is refused the applicant shall be notified, based on his request, in writing of the reasons warranting the rejection of his application. He shall be entitled, within (15) fifteen days from the date of rejection, to file an appeal to the chairman of the competent body, as he shall also be entitled to complain against the decision issued against him before the Board of Grievances within (30) thirty days from the date of his notification of the decision.
- F. The import licenses shall be effective for a period of one year maximum from the date of issuing the license, and the competent body may extend this period according to the exigencies of the public interest.
- G. In case of the existence of quota distributed to the supplying countries, the license applications should contain a specification of the country of origin.
- H. The licenses shall be issued to the importers pursuant to the basis of their previous performance during the last three years. A specific percentage may be issued to the importers each year.

Article 10

These procedures shall be published in the Official Gazette, and shall become effective after (30) thirty days from the date of publications thereof.

Article 11

These procedures shall be modified by decision of the Minister of Commerce, and also the lists of goods subject to the requirements of licensing in accordance with the contributions of the relevant government bodies, and these modifications shall become effective after (30) thirty days from the date of publication thereof in the Official Gazette.