

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

Notification under Article 7.3 of the
Agreement on Import Licensing Procedures

KOREA

The following communication, dated 24 November 2008, is being circulated at the request of the delegation of Korea.

Outline of system

1 Korea has continued to reduce trade-related regulations, embracing the principle of free trade with respect to export and import activities. In this context, restrictions on trade, if any, are limited to the very minimum necessary.

No licensing (since 6 June 1993), registration (since 30 December 1996) or notification (since 1 January 2000) is required to be importers and exporters. Only for statistical purposes, the Korea International Trade Association (KITA), a private organization, assigns upon request a trade business number to anyone who wishes to conduct trade business.

The Foreign Trade Act (FTA) is the basic law that governs international trade between Korea and other countries. Specific items for which exports and/or imports are restricted are listed in the Export-Import Notice published by the Ministry of Knowledge Economy (MKE). But at present, no item is subject to import restrictions according to the Export-Import Notice.

In addition to the FTA, 47 separate laws also stipulate approval or authorization requirements for certain items, and those items can be imported by obtaining certification, permission and type approval. Those requirements are maintained mostly for the protection of morals, human health, hygiene and sanitation, animal and plant life, environmental conservation or essential security interests in compliance with domestic legislation requirements or international commitments.

To enhance transparency and for the convenience of trading companies, MKE updates the Consolidated Public Notice when necessary, a single document containing all export and import certification requirements in the 47 separate laws.

Purpose and coverage of licensing

2. As of January 2007, there is no quantitative import restriction on the basis of the HSK ten-digit code except on rice. Import-related requirements provided by the 47 separate laws pertain to petroleum, LPG (Liquefied Petroleum Gas), agricultural fertilizers, crop seeds, animals and animal

products, nuclear materials, narcotics, foods and food additives, foreign publications, firearms and explosives

3. The system applies to goods originating in and coming from all countries.
4. All import-related regulations except those on rice are not intended to restrict the quantity or value of imports. Rather, they are maintained in order to protect national security, human, animal or plant life or health, and the environment, etc. in accordance with the provisions of Articles XX and XXI of GATT 1994, other WTO Agreements and other international rules or agreements.
5. The import approval system is enforced under the Foreign Trade Act, the Enforcement Decree of the Foreign Trade Act, the Foreign Trade Management Regulation and the Export-Import Notice. The import-related requirements are set forth in the 47 domestic laws. A list of these laws is attached in Annex I. The detailed approval conditions are prescribed in enforcement decrees or regulations for the above-mentioned 47 domestic laws.

While it is not possible for the executive branch to abolish or to convert the approval system without legislative approval, there is administrative flexibility to some extent since the authority to classify a specific item for import regulation is entrusted to the executive branch.

Procedures

6. The answers provided to questions 6. I~VIII relate exclusively to rice. There is no requirement for licences since the import of rice is under the system of state trading enterprise.

IX~X. Not applicable.

XI. No.

7. Not applicable. There are no licensing procedures for items not subject to import restrictions on quantity.

8. An application for approval cannot be rejected if it satisfies the established criteria.

Eligibility of importers to apply for licence

- 9.(a, b) No licensing (since 6 June 1993), registration (since 30 December 1996) or notification (since 1 January 2000) is required to be importers and exporters.

For statistical purposes only, the Korea International Trade Association (KITA), a private organization, assigns upon request a trade business number to anyone who wishes to carry out trade business. The KITA publishes a list of traders annually.

Documentations and other requirements for application for licence

10. An offer sheet or a copy of the contract and other necessary documents must be submitted together with the application.¹

¹ A sample of the import licence application form is available for consultation in the Secretariat (Market Access Division) (English and Korean only).

11. Only in the case of import-restricted items, upon actual importation, the import declaration, import approval, commercial invoice, Bill of Lading and other necessary documents must be submitted.
12. There is no licensing fee or administrative charge.
13. There is no deposit or advance payment requirement associated with the issue of licences.

Conditions of licensing

14. In principle, the period of validity for import approval is one year. However, the period can be extended or shortened, depending on specific circumstances, when the approval is issued by relevant administrative agencies.
15. There is no penalty for the non-utilisation of a licence or a portion of a licence.
16. Licences are not transferable between importers.
17. No other conditions are attached to the issue of a licence.

Other procedural requirements

18. There are no other administrative procedures, apart from import licensing and similar administrative procedures, required prior to importation.
 19. Foreign exchange is provided automatically for goods to be imported under the standard settlement method.
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ANNEX I

The following tables briefly describe the items subject to import-related requirements and the administrative organizations under the 47 domestic laws. Each Ministry takes charge of application of the laws whose procedures or requirements fall under its authority.

1. Ministry of Knowledge Economy

Law	Product covered	Related administrative organization
Petroleum and Petroleum Alternative Fuel Business Act	Crude oil, petroleum(including natural gas, propane and butane), Petroleum Alternative Fuel	Korea Petroleum Association, Ministry
High Pressure Gas Safety Control Act	High pressure gas, container and facilities	Korea Gas Safety Corporation
Liquefied Petroleum Gas Safety and Business Management Act	Gas appliances	Korea Gas Safety Corporation
Act on the Control of the Production etc. of Specified Substances for the Protection of the Ozone Layer	Controlled substances under the Montreal Protocol	Ministry
Electric Appliances Safety Control Act	Designated electric appliances which can cause danger or injury	Korean Agency for Technology and Standards
Act on the Prohibition of Chemical and Biological Weapons and the Control of the Production, Export, Import, etc. of Specific Chemicals, Biological agents, etc.	Specific chemicals, Biological agents (Pathogens on Human, Animal and Plants) and Toxins	Ministry Bioindustry Association of Korea
Quality Management and Safety Control of Industrial Products Act	Designated consumer products which can cause danger or injury	Korean Agency for Technology and Standards
Measures Act	Legal measuring instruments	Korea Machinery Meter and Petrochemical Testing and Research Institute

2. Ministry of Food, Agriculture, Forestry & Fisheries

Law	Product covered	Related administrative organization
Food Grain Management Act	Rice	Ministry
Fertilizer Management Act	Agricultural fertilizer	Ministry
Agrochemicals Management Law	Agrochemicals	Ministry
Livestock Epidemics Prevention and Control Act	Animals and animal products	National Veterinary Research Quarantine Service
Plant Protection Act	Plants and plant products	National Plant Quarantine Service
Seed Industry Law	Crop seeds Vegetable seeds for sale Fruit trees for sale	Rural Development Administration Korea Seed Association National Seed Management Office
Livestock Act	Pure bred breeding stocks	Korea Animal Improvement Association Korea Poultry Association
Processing of Livestock Products Act	Livestock products	National Veterinary Research & Quarantine Service
Agricultural Quality Control Act	Silkworm egg	Local Sericulture Institution
Fisheries Act	Marine animals and plants	Ministry
Quality Control of Fishery Products Act	Marine animals and plants	Ministry National Fisheries Products Quality Inspection Service National Fisheries Research and Development Institute

3. National Forestry Administration

Law	Product covered	Related administrative organization
The Law concerning Protection of Wildlife and Game	Wildlife animals	Administrative local governments

4. Ministry of Public Administration and Security

Law	Product covered	Related administrative organization
The Local Tax Law	Tobacco	Administrative local governments

5. Ministry of Education, Science and Technology

Law	Product covered	Related administrative organization
Atomic Energy Act	Nuclear materials	Ministry
	Radioisotope, radiation generators	Korea Radioisotope Association

6. Ministry for Health, Welfare and Family affairs

Law	Product covered	Related administrative organization
Pharmaceutical Affairs Act	Finished pharmaceuticals	Korea Food and Drug Administration Korea Pharmaceutical Traders' Association
	Materials for medicines or for herbal drugs	Korea Food and Drug Administration Korea Pharmaceutical Traders' Association
Medical Device Act	Medical devices	Korea Food and Drug Administration Korea Medical Device Industry Association
Act on the control of narcotics, etc	Narcotics for medicine	Korea Food and Drug Administration Korea Pharmaceutical Traders' Association
	Cannabis	
	Finished pharmaceuticals & Materials for medicine	Korea Food and Drug Administration Korea Pharmaceutical Traders' Association

Law	Product covered	Related administrative organization
Cosmetic Act	Cosmetics	Korea Food and Drug Administration Korea Cosmetic Association
Food Sanitation Act	Food, food additives, apparatus, container and package	National Quarantine Station or Regional Food and Drug Administration
Health Functional Food Act	Health Functional food	National Quarantine Station or Regional Food and Drug Administration
Quarantine Act	Designated products	National Quarantine Station or Regional Food and Drug Administration
		National Veterinary Research and Quarantine Service
Human Tissue Safety & Control Act	Transplant (material) of Human tissue (bone, ligament, tendon etc)	Human Tissue Bank of Korea Korea Food & Drug Administration The Export-Import Bank of Korea Korea Customs Service

7. Ministry of Labour

Law	Product covered	Related administrative organization
Industrial Safety and Health Act	Harmful substances (e.g. yellow phosphorous matches, benzidine)	Local labour administration
	New chemical substances (e.g. chemical elements, radioactive substances)	Ministry
	Safeguarding measures (e.g. safeguarding measures against press)	Korea Occupational Safety & Health Agency
	Harmful or hazardous equipments (e.g. cranes, lifts)	
	Protective equipments (e.g. safety helmet)	

8. Korea Communication Commission

Law	Product covered	Related administrative organization
Radio Waves Act	Apparatus of radio equipment	Radio Research Laboratory
	EMI or EMC equipment	
Telecommunications Basic Act	Telecommunication equipment	

9. Ministry of Culture, Sports and Tourism

Law	Product covered	Related administrative organization
Publication and Printing Promotion Act	Foreign publications	Korea Publication Ethics Commission
Protection of Cultural Properties Act	Cultural properties	Cultural Heritage Administration

10. Ministry of National Defence

Law	Product covered	Related administrative organization
Defense Acquisition Program Act	Military products	Defense Acquisition Program Administration

11. National Police Agency

Law	Product covered	Related administrative organization
Firearms, Swords, Explosives etc. Control Act	Firearms, swords and explosives	Agency

12. National Tax Administration

Law	Product covered	Related administrative organization
Liquor Tax Act	Liquor	District tax offices

13. Ministry of Environment

Law	Product covered	Related administrative organization
Toxic Chemicals Control Act	Chemical substances	Korea Chemicals Association Local governments Basin Environmental Offices or Regional Environmental Offices
Wildlife Protection Act	Animals and plants detrimental to ecosystem	Basin Environmental Offices or Regional Environmental Offices
	Endangered wild animals and plants	Basin Environmental Offices or Regional Environmental Offices
	Wild animals	Local governments
	International trade in endangered Species of wild fauna and flora	Basin Environmental Offices or Regional Environmental Offices
Drinking Water Management Act	Bottled water, water treatment chemicals and its container	Basin Environmental Offices or Regional Environmental Offices
Act on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal	Wastes	Basin Environmental Offices or Regional Environmental Offices
Act on the Promotion of Saving and Recycling of Resources	- Pesticides and toxics using can, glass and plastic container - Antifreeze - Gum - Disposable Diaper - Tobacco - Plastic products	Korea Environment & Resources Corporation(ENVICO)
Noise and Vibration Regulation Act	Motor vehicles, etc.	National Institute of Environmental Research
Atmospheric Environment Preservation Act		

14. Ministry of Construction and Transportation

Law	Product covered	Related administrative organization
Motor Vehicles Control Act	Motor vehicles	Ministry
Construction Equipment Management Act	Construction equipments	Ministry
