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Committee on Rules of Origin

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**NOTIFICATION OF PREFERENTIAL RULES OF ORIGIN FOR  
LEAST DEVELOPED COUNTRIES**

REPUBLIC OF KOREA

The following communication, dated 14 September 2017, is being circulated at the request of the delegation of the Republic of Korea.

Paragraph 4.3 of the 2015 Ministerial Decision on preferential rules of origin for least developed countries (WT/L/917/Add.1) requires preference-granting Members to notify preferential rules of origin as per the established procedures<sup>1</sup>. In addition, as mandated by the Ministerial Decision, the Committee on Rules of Origin agreed, at its meeting of 2 March 2017, to a template for such notifications (G/RO/84).

Following such requirements, the following notification has been received from: the Republic of Korea.

**A. BASIC INFORMATION**

1)	<b>Notifying member</b>	Republic Of Korea
2)	<b>Date of entering into force of Rules of origin and any substantive modification thereof</b>	1 January 2000 - Last modification (in 2016) <a href="http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined">http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined</a> (Please see the Annex of this document)
3)	<b>Date of expiration of Rules of origin if applicable</b>	No Expiration Date
4)	<b>Title of the preferential scheme for which legislation on Rules of origin is applicable</b>	Rules on Preferential Tariff for Least-Developed Countries (Presidential Decree No. 27759) <a href="http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined">http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined</a> (Please see the Annex of this document)
5)	<b>Authority(ies) granting the preferential treatment</b>	Ministry of Strategy and Finance is responsible for Korea's tariff policy and legislation. Tax & Customs - <a href="http://english.mosf.go.kr">http://english.mosf.go.kr</a>
6)	<b>National authorities in charge of Rules of origin administration</b>	Korea Customs Service is responsible for the administration and implementation. <a href="http://www.customs.go.kr/kcshome/site/index.do?layoutSiteId=english">http://www.customs.go.kr/kcshome/site/index.do?layoutSiteId=english</a>

<sup>1</sup> The relevant notification requirements are contained in Paragraph 2(d) of Annex 1 of the Transparency Mechanism for Preferential Trade Arrangements (WT/L/806) and in Paragraph 4 of Annex II of the Agreement on Rules of Origin.

**B. INFORMATION ON RULES OF ORIGIN****I. BENEFICIARIES**

<b>1)</b>	<b>List of Beneficiaries</b>	48 beneficiaries of the LDC <a href="http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%8F%84%EA%B5%AD#AJAX">http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%8F%84%EA%B5%AD#AJAX</a>
<b>2)</b>	<b>Eligibility</b>	48 beneficiaries of the LDC <a href="http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%8F%84%EA%B5%AD#AJAX">http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%8F%84%EA%B5%AD#AJAX</a>

**II. CRITERIA FOR DETERMINING SUBSTANTIAL TRANSFORMATION**

<b>1) General criteria, if applicable for all products</b>		
	<b>(a) Definition of wholly obtained products</b>	<p>[Paragraph 1, Article 5 of Rules on Preferential Tariff for Least-Developed Countries (Presidential Decree No. 27759)]</p> <p>1. A product eligible for preferential tariff should be wholly produced or obtained in the exporting country. The following products shall be considered as wholly produced or obtained in the exporting country:</p> <ul style="list-style-type: none"> <li>(a) Raw materials or mineral products extracted from soil, waters or seabed of the exporting country;</li> <li>(b) Agricultural and forestry products harvested in the exporting country;</li> <li>(c) Animals born and raised in the exporting country and products obtained from such animals;</li> <li>(d) Products obtained by hunting or fishing conducted in the exporting country;</li> <li>(e) Marine products caught in high seas by vessels of the exporting country and products manufactured or processed, using such products. In this case, "vessels of the exporting country" refer to the vessels registered in the exporting country, 60% or more of equity of which is owned by a citizen or the government of the exporting country, or a corporation or association legitimately registered in the exporting country;</li> <li>(f) Used articles collected in the exporting country, for the purpose of the recovery of raw materials;</li> <li>(g) Waste and scrap resulting from manufacturing operations conducted in the exporting country; and</li> <li>(h) Products produced exclusively in the exporting country using the products referred to in subparagraphs 1 to 7 above as raw materials.</li> </ul> <p><a href="http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined">http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined</a></p> <p>(Please see the Annex of this document)</p>
	<b>(b) Describe the criteria for not-wholly produced products</b>	None
	<b>(c) Insert the formula for calculating <i>ad valorem</i> percentage</b>	None
<b>2) Product specific rules of origin, where applicable</b>		
	<b>(a) Insert the link where the complete list of product specific rules of origin can be found.</b>	There is no product specific rule on Rules on Preferential Tariff for Least-Developed Countries (Presidential Decree No. 27759)

	<b>(b) Insert the formula for calculating <i>ad valorem</i> percentage, when applied for product specific rule</b>	Not Applicable
3)	<b>Definition of non-originating material and originating material, if any</b>	Not applicable
4)	<b>List of insufficient working process, if any</b>	Not applicable
5)	<b>Rules for application of cumulation and related procedures if any</b>	Not applicable
6)	<b>Any other information that member deems necessary</b>	None

### III. DOCUMENTARY REQUIREMENTS

<b>1) Certificate of origin and other proofs of origin</b>		
	<b>(a) Requirement for certificate of origin and/or any other proof of origin, if any</b>	<p>[Paragraph 4, Article 5 of Rules on Preferential Tariff for Least-Developed Countries (Presidential Decree No. 27759)]</p> <p>4. Those who wish to receive preferential tariffs should submit a Certificate of Origin set out in Annex III issued by the government of the exporting country or an authority designated by the government of the exporting country.</p> <p><a href="http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined">http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#undefined</a></p> <p>(Please see the Annex of this document)</p>
	<b>(b) Authority to be designated for issuance of certificate of origin</b>	The authority designated by the government of the exporting country
	<b>(c) Prescribed form of Certificate of origin and/or any other proof of origin</b>	<p>Rules on Preferential Tariff for Least-Developed Countries (Presidential Decree No. 27759) Attached Sheet</p> <p><a href="http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#AJAX">http://www.law.go.kr/lsSc.do?menuId=0&amp;subMenu=1&amp;query=%EC%B5%9C%EB%B9%88%EA%B0%9C%EB%B0%9C#AJAX</a></p> <p>(Please see the Annex of this document)</p>
	<b>(d) Any other procedures applied for certificate of origin and/or any other proof of origin, if any</b>	None
<b>2) Direct shipment</b>		
	<b>(a) Rules applicable for direct shipment, if any</b>	Article 76 of Enforcement Rule of the Customs Act (direct shipment principle)
	<b>(b) Documentary requirement for proof of direct shipment including when the transport of consignment involves transit through one or more intermediate countries, if any</b>	<p>[2, paragraph 3, Article 236 of Enforcement Decree of the Customs Act (Presidential Decree No. 27793)]</p> <p>(3) A certificate of origin to be submitted to the head of the relevant customs office under paragraph (1) shall be as follows:</p> <p>2. With respect to the goods which are not imported directly from the country or origin, but via a third country, if the relevant customs office, the institution authorized to issue certificates, or the chamber of commerce and industry of the third country confirms the country of origin of the relevant goods or issues a certificate to that effect, the country of origin and a certificate to that effect shall be confirmed based on the certificate of origin issued by the country of origin for the relevant goods;</p> <p><a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0</a></p> <p>(Please see the Annex of this document)</p>

**IV. VERIFICATION AND PENALTIES**

1)	<b>Procedure for verification of proofs of origin</b>	<p>1. [Paragraph 1, Article 233 of Customs Act (Act No. 14839)] Article 233 (Requests for Confirming Certificates of Origin, etc. and Investigations)</p> <p>(1) The head of a customs office may request a customs office of a foreign country that has issued a certificate of origin or any agency authorized to issue such certificate of origin (hereafter referred to in this Article, as "foreign customs office, etc.") to confirm the authenticity, accuracy, etc. of such certificate of origin and supporting documents for the certificate of origin in accordance with Article 232 (1) and (3). In such cases, the head of the customs office shall file a request for confirmation after an import declaration on the relevant goods is accepted and shall notify an importer of the fact that he/she has filed a request for confirmation, the details of a reply, and his/her decisions following such reply.</p> <p><a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#lIbGcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#lIbGcolor0</a></p> <p>2. [Article 236-8 of Enforcement Decree of the Customs Act (Presidential Decree No. 27793)] Article 236-8 (Procedures for Investigating Certificate of Origin, etc. of Exported Goods)</p> <p>(1) A field investigation under Article 233 (2) of the Act may be conducted when it is impracticable to confirm the authentication, accuracy, etc. of a certificate of origin and supporting documents for the certificate of origin by the written investigation only or additional confirmation is necessary.</p> <p>(2) Where the head of a customs office conducts a written or field investigation, he/she shall give a written notice of the matters prescribed by Ordinance of the Ministry of Strategy and Finance to the person subject to investigation at least seven days prior to the commencement of investigation.</p> <p>(3) Articles 114 (2) and 115 shall apply mutatis mutandis to matters on request for postponing the investigation and notice of result of investigation.</p> <p>(4) A person subject to investigation who has an object to the result of investigation may submit the application stating the matters falling under each of the following subparagraphs together with the data to confirm the contents of objection within 30 days from the date of receiving the result of investigation to the head of a customs office:</p> <ol style="list-style-type: none"> <li>1. Name and address or residence of a person who raises an objection;</li> <li>2. Date of receiving the notice on result of investigation under paragraph (3) and contents of decision on investigation;</li> <li>3. Name, standard, purpose of use, exporter, producer and importer of the relevant goods;</li> <li>4. Summary and contents of the objection.</li> </ol> <p>(5) The head of a customs office shall complete the examination within 30 days from the date of receiving the objection under paragraph (4) and notify the contents of decision.</p> <p>(6) Where there are any defects in the contents of the objection or procedures for raising the objection under paragraph (4), the head of a customs office may request a supplement or correction thereof within the limit of 20 days in a document stating the matters falling under each of the following subparagraphs: Provided, That where the matters to be supplemented or corrected are minor, the head of a customs office may supplement or correct them ex officio:</p> <ol style="list-style-type: none"> <li>1. Matters to be supplemented or corrected;</li> <li>2. Grounds for requesting the supplement or correction;</li> <li>3. Period during which the supplement or correction is made;</li> <li>4. Other necessary matters.</li> </ol>
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		<p>(7) Period during which the supplement or correction is made under the main sentence of paragraph (6) shall not be included in the period of determination under paragraph (5).</p> <p><a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0</a></p>
2)	<b>Penalties for fraud and false declarations</b>	<p>[Paragraph 2 &amp; 3, Article 233 of Customs Act (Act No. 14839)] Article 233 (Requests for Confirming Certificates of Origin, etc. and Investigations)</p> <p>(2) Except as otherwise expressly provided for in a treaty or convention, in any of the following cases, general preferential tariffs, international cooperation tariffs or beneficial tariffs need not apply to the matters requested by the head of a customs office to be confirmed under paragraph (1). In such cases, the head of a customs office shall impose and collect the customs duties payable under Articles 38-3 (6) or 39 (2) or the difference between the amount of customs duties payable and the amount paid:</p> <ol style="list-style-type: none"> <li>1. Where a foreign customs office, etc. fails to send results of confirmation within a period prescribed by Ordinance of the Ministry of Strategy and Finance;</li> <li>2. Where the country of origin reported to the head of the customs office is confirmed to be different from actual country of origin;</li> <li>3. Where the details of the reply from a foreign customs office, etc. do not contain the information necessary to confirm a certificate of origin or supporting documents for the certificate of origin under Article 229.</li> </ol> <p>(3) The head of a customs office may require a person who imports goods whose country of origin needs to be confirmed to provide necessary data to confirm the details of a certificate of origin presented under paragraph (1) (hereinafter in this Article referred to as "supporting documents for the certificate of origin"). In such cases, when a person who imports goods whose country of origin needs to be confirmed fails to provide supporting documents for the certificate of origin without any justifiable ground, the head of a customs office may refuse to recognize the details of the certificate of origin presented when an import declaration is filed.</p> <p><a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0</a></p>
3)	<b>Authorities and procedures for appeal in the case of dispute on verification</b>	<p>1. [Paragraph 1, Article 119 of Customs Act (Act No. 14839)] Article 119(Appeal due to Dissatisfaction)</p> <p>(1) A person who is subject to an illegal and unfair disposition taken in accordance with this Act, other tariff-related Acts or a convention, or whose rights or interests are infringed on by a lack of the necessary disposition may file a request for evaluation or a request for adjudication to cancel or modify such disposition, or for a necessary disposition under this Section: Provided, That such person may file an objection in accordance with this Section before he/she files a request for an evaluation or a request for adjudication, except where such disposition is investigated, determined or dealt with, or must be dealt with by the Commissioner of the Korea Customs Service.</p> <p>2. [Paragraph 1, Article 132 of Customs Act (Act No. 14839)] Article 132(Objections)</p> <p>(1) An objection shall be raised to the head of a customs office that has taken or should have taken the relevant disposition, stating the reasons of the dissatisfaction therewith, as prescribed by Presidential Decree. In such cases, an objection to the decided matters as referred to in Article 258 or to the amount of duty as referred to in Article 259 (1) may be filed by submitting a written objection to the postmaster of the post office who directly mailed the notice of the relevant matters decided or the amount of duty, and the head of the customs office shall be deemed to have received the written objection at</p>

		the time the postmaster of the post office has received it. <a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0</a>
4)	<b>Requirement for preserving the documents related to issuance of certificate of origin</b>	[Article 12 of Customs Act (Act No. 14839)] Article 12 (Storage Period of Reporting Documents) A person who has filed a value declaration, duty return, export and import declaration, return declaration, shipment declaration on bonded goods, and a declaration on bonded transportation, or has presented a cargo manifest pursuant to this Act shall retain the filed or presented documents (including a declaration completion certificate) for a period prescribed by Presidential Decree up to 5 years from the date on which he/she has filed returns or presented the relevant documents. <a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0</a>
5)	<b>Any other relevant information</b>	-

## V. REFERENCE TEXTS

(a)	<b>The legislative texts in one of the official WTO languages containing the preferential rules of origin applicable under a PTA granted under the Decision on Measures in Favour of Least-Developed Countries (Annex F of the Hong Kong Ministerial Declaration)</b>	Rules on Preferential Tariff for Least-Developed Countries (Presidential Decree No. 27759) (Please see the Annex of this document)
(b)	<b>The full text of the administrative regulations concerning modalities for issuance, acceptance, retrospective issuance and replacement of certificates of origin or any equivalent declarations to be made, including any requirements related to stamps to be used along with notification of stamps</b>	1. Customs Act (Act No. 14839) <a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0</a> 2. Enforcement Decree of the Customs Act (Presidential Decree No. 27793) <a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EA%B4%80%EC%84%B8%EB%B2%95#liBgcolor0</a> 3. Rules on Preferential Tariff for Least-Developed Countries (Presidential Decree No. 27759) (Please see the Annex of this document)
(c)	<b>The full text and related administrative regulations of the modalities for the proof of movement of the consignment of the goods from the beneficiary countries to preference-giving countries including transit through third countries</b>	4. Foreign Trade Act (Act No. 13838) <a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EB%8C%80%EC%99%B8%EB%AC%B4%EC%97%AD#liBgcolor0">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EB%8C%80%EC%99%B8%EB%AC%B4%EC%97%AD#liBgcolor0</a> 5. Enforcement Decree of the Foreign Trade Act (Presidential Decree no. 27548)
(d)	<b>The full texts of the modalities of the verification procedures and related penalties</b>	<a href="http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EB%8C%80%EC%99%B8%EB%AC%B4%EC%97%AD#liBgcolor12">http://www.law.go.kr/engLsSc.do?menuId=0&amp;subMenu=5&amp;query=%EB%8C%80%EC%99%B8%EB%AC%B4%EC%97%AD#liBgcolor12</a>

**ANNEX**

**Presidential Decree No. 27759  
Rules on Preferential Tariff for Least-Developed Countries**

Article 1  
*Purpose*

The purpose of this Decree is to govern the granting of preferential tariff to least-developed countries in accordance with Paragraph 3 of Article 76 of the Customs Law.

Article 2  
*Definition*

"Least-developed countries" in this Decree refer to the countries specified in Annex I.

Article 3  
*Products and Tariff Rates*

A product eligible for preferential tariff and the rates are specified in Annex II. In case of a product eligible for minimum market access (MMA) under the Presidential Decree on Tariff Concessions Granted Pursuant to the World Trade Organization Agreement and Other Agreements, preferential tariffs apply only to in-quota amount.

Article 4  
*Remedy for Injury to Domestic Industries*

1. In cases where an increase in the import of a product eligible for preferential tariff causes or threatens to cause serious injury to domestic industries which produce like products, or directly competitive products, and it is necessary to prevent them from happening, the head of a relevant central administrative agency or an interested person may request the Minister of Strategy and Finance to suspend the application of preferential tariffs to the product in question.

2. When the head of a central administrative agency or an interested person wishes to request suspension of the application of preferential tariff pursuant to paragraph 1, the following documents should be submitted to the Minister of Strategy and Finance:

- (a) HS code number, description, size, use and substitutable products of the product in question;
- (b) Materials used in producing the product in question and documents explaining the use and manufacturing process of related products produced using the product in question as an input;
- (c) The records of demand and supply of the product for the previous one year and forecast of demand and supply for the following one year;
- (d) Monthly records of import price and amount of each importing country for the latest one year;
- (e) Monthly factory prices of the product and sales performance of each domestic producer for the latest one year;
- (f) Description of injuries to domestic industries and the suspension period of the application of preferential tariffs; and
- (g) Other documents which help decide that serious injuries are caused to domestic industries or there exists a threat to cause serious injury to domestic industries.

3. The Minister of Strategy and Finance should examine whether there were reasons to suspend the application of preferential tariffs within 15 days from the date on which the request is made according to paragraph 1, unless there is a special reason for delay.

4. When it is determined as the result of the examination provided in paragraph 3 that there were reasons to suspend the application of preferential tariffs, the Minister of Strategy and Finance

should decide suspension of the application of preferential tariff immediately and announce its decision in a Ministerial Ordinance.

5. The suspension of the application of preferential tariff shall go into effect from the date on which the Ministerial Ordinance is released in accordance with paragraph 4.

Article 5  
*Rules of Origin*

1. A product eligible for preferential tariff should be wholly produced or obtained in the exporting country. The following products shall be considered as wholly produced or obtained in the exporting country:

- (a) Raw materials or mineral products extracted from soil, waters or seabed of the exporting country;
- (b) Agricultural and forestry products harvested in the exporting country;
- (c) Animals born and raised in the exporting country and products obtained from such animals;
- (d) Products obtained by hunting or fishing conducted in the exporting country;
- (e) Marine products caught in high seas by vessels of the exporting country and products manufactured or processed, using such products. In this case, "vessels of the exporting country" refer to the vessels registered in the exporting country, 60% or more of equity of which is owned by a citizen or the government of the exporting country, or a corporation or association legitimately registered in the exporting country;
- (f) Used articles collected in the exporting country, for the purpose of the recovery of raw materials;
- (g) Waste and scrap resulting from manufacturing operations conducted in the exporting country; and
- (h) Products produced exclusively in the exporting country using the products referred to in subparagraphs 1 to 7 above as raw materials.

2. A product which is finally manufactured or processed in the territory of the exporting country by using the product, as an input, which is produced in countries other than the exporting country, or the origin of which is not determined, shall be eligible for preferential tariffs only if the value of the inputs does not exceed 60% of the F.O.B. price of the final product. In this case, if the final product includes the product originating from the Republic of Korea as an input, the value of the product shall be excluded from the calculation of the total value of the inputs.

3. The value of the inputs referred to in paragraph 2 shall be calculated in the following order:

- (a) The value including freight and insurance cost at the time of importation to the exporting country (C.I.F. price); and
- (b) The ascertainable price paid first for the inputs in the exporting country.

4. Those who wish to receive preferential tariffs should submit a Certificate of Origin set out in Attached Sheet issued by the government of the exporting country or an authority designated by the government of the exporting country.

5. Article 236 of the Enforcement Decree of the Customs Law shall be invoked in cases not covered by the rules of origin set out in paragraphs 1 to 4.

Addendum

1. This Decree shall go into effect on 1 January 2017.

2. This Decree shall apply to the product whose import declaration is made after this Decree enters into force.



**ANNEX I**

Least-Developed Countries Eligible for Preferential Tariff

Asia (13)

Afghanistan; Bangladesh; Cambodia; Myanmar; Bhutan; Kiribati; Laos; Nepal; Tuvalu; Vanuatu; the Solomon Islands; Yemen; and Timor-Leste.

Africa (34)

Angola; Benin; Burkina Faso; Burundi; Central African Republic; Chad; Comoros; Democratic Republic of Congo; Djibouti; Equatorial Guinea; Eritria; Ethiopia; Gambia; Guinea; Guinea-Bissau; Lesotho; Liberia; Madagascar; Malawi; Mali; Mauritania; Mozambique; Niger; Rwanda; Sao Tome & Principe; Senegal; Sierra Leone; Somalia; South Sudan; Sudan; Tanzania; Togo; Uganda; and Zambia.

America (1)

Haiti.

**ANNEX III**

## Certificate of Origin

1. Exporter (business name, address, country)			Reference No.		
2. Importer (business name, address, country)			Certificate of Origin for Preferential Tariff for Least-Developed Countries		
			(Combined declaration and certificate)		
			Issued in .....(country)		
			See notes overleaf		
3. Means of transport and route			4. For official use		
5. HS code	6. Marks and numbers of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see notes overleaf)	9. Gross weight or other quantity	10. Number and date of invoices
11. Declaration by the exporter The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in ..... (country)  and that they comply with the origin requirements specified in the Presidential Decree on Preferential Tariff for Least-Developed Countries.  ..... ..... Place and date, signature of authorized signatory			12. Certificate It is hereby certified, on the basis of examination carried out, that the declaration by the exporter is correct.  .....  Place and date, signature and stamp of certifying authority		

(210mm × 297mm)

Notes:

## 1. General Conditions

To qualify for preference, products must:

- (a) fall within a description of a product eligible for preference according to the Presidential Decree on Preferential Tariff for Least-Developed Countries of the Republic of Korea;
- (b) comply with the rules of origin set out in Article 5 of the Presidential Decree on Preferential Tariff for Least-Developed Countries. Each article in a consignment must qualify separately in its own right; and
- (c) be consigned directly from the exporting country to the Republic of Korea. However, the followings are considered as consigned from the exporting country to the Republic of Korea:
  - (i) if it is proved that the product just passes through a non-originating territory for geographical reasons or is transhipped or temporarily stored in a bonded area of a non-originating territory; or
  - (ii) the product re-exported into Korea after being exported to a non-originating territory for display at exhibitions or fairs.

## 2. Entries to be made in box 8

A preferential product must be wholly or partly produced or obtained in the exporting country in accordance with the origin requirements set out in paragraph 1 and 2 of Article 5 of the Presidential Decree on Preferential Tariff for Least-Developed Countries.

- (a) A wholly produced or obtained product: enter the letter "A" in box 8;
- (b) A product not wholly produced or obtained: enter the letter "B" in box 8. Entry of letter "B" should be followed by the sum of the value of an input originating from other countries than the exporting country or of undetermined origin, expressed as a percentage of the F.O.B. price of the exported product; (example "B" 40%).