

RESTRICTED

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Special Distribution

GENERAL AGREEMENT ON TARIFFS AND TRADE

Multilateral Trade Negotiations

GROUP 3(e) - BASIC DOCUMENTATION

Inventory of Quantitative Import Restrictions
Applied by Countries other than those
Studied by the Joint Working Group

Addendum

REPUBLIC OF KOREA

EXPLANATORY NOTES

1. The Trade Transaction Law promulgated on 16 January 1967 empowers the Minister of Commerce and Industry to prohibit or restrict imports or exports of goods or to impose other restrictions as to quantity or amount, specifications of goods and trading areas. The administrative bases of import regulation are the Export-Import Periodic Notices and Public Notices of the Ministry of Commerce and Industry. The Ministry formulates and issues, on a semi-annual basis (January-June and July-December), a Periodic Notice for the forthcoming six months.

2. Imports fall into three groups - those which are automatically approved, those subject to quotas and those which are prohibited. The import-prohibited items belong mainly to the following groups¹:

1. some specific articles prohibited for reasons of public order or national health;
2. agricultural products produced in small-scale farming, and miscellaneous items for daily use produced by small-scale domestic industries;
3. goods of which there is surplus domestic production; and
4. goods considered to be non-essential or luxury items in relation to the balance-of-payments situation and the low income level of the people.

Import-restricted items may be classified as follows:

1. goods which require prior recommendation by the ministries concerned; in making a recommendation, the competent ministry takes into account the domestic supply and demand situation of these goods on the domestic market.
2. end-user's goods: the right to import such goods is granted to end-users with a view to stabilizing domestic prices and promoting domestic production using such materials;

¹ Import licenses for products on the prohibited list are issued only if the products are to be used as raw materials for articles destined for export.

3. goods restricted by specifications: such restrictions are designed to promote the quality of domestically manufactured goods; they are also designed to restrict over the short term imports of non-essential goods;
4. quota items: import quotas may be imposed when the balance-of-payments situation deteriorates;
5. imports requiring prior approval by the Ministry of Commerce and Industry: commodities imported from countries whose annual exports to Korea are more than twice their imports from Korea while the annual trade deficit exceeds \$25 million.

Products that are automatically approved for importation may be freely imported provided the importer obtains a visa from a bank authorized to deal in foreign exchange. In the case of import-restricted items, on the other hand, there must be a favourable recommendation from the competent authority before the Ministry of Commerce and Industry will issue an import licence.

3. Each of the three groups applies to goods originating in or coming from any country other than Rhodesia or certain Communist countries.
4. The list given below, which is arranged according to the BTN numbers, shows the products subject to various restrictions. It has not been revised since it was published in December 1970 in document CCM.AG/W/68/Add.2/Part 2.

The following symbols are used:

- P: Prohibited
R: Restricted (subject to quotas and discretionary licences)
LL: Automatically approved

5. New Zealand has indicated an interest in items 01.01, 02.01, 03.01, 03.02, 15.02 and 16.04 of the BTN; the United States has indicated an interest in all items.

6. References: BOP/117
CCM.AG/W/72/Add.38

BTN	Commodity description	Type of restriction	Details
01.01	Breeding horses	R	Arab, Anglo-Arab, "Harda", Anglo-Norman and thoroughbred horses
01.02	Breeding cattle	R	Holstein, Jersey, Guernsey, Shorthorn, Aberdeen-Angus, Santa Gertrudis, "fairfeet", "Charlotte", and Ayshire
01.03	Breeding swine	R	Berkshire, Yorkshire, Hampshire, Duroc-Jersey, and "landrace"
01.04	Breeding sheep, lambs, and goats	R	Except for Saanenburg, Alpine, Corriedale, Merino, Southdown, Shropshire and Romney Marsh
01.05	Breeding poultry	R	Except for pure strains, grand-parent stock, parent stock, and commercial broilers
01.06A	Other live animals	R	Except for Angora, New Zealand white, Japanese white chinchilla, California rope ear
02.01- 02.04	Bird and animal meat, fresh, chilled, and frozen	R	Subject to recommendation of Minister of Agriculture and Forestry
02.05	Pig and poultry fat, unrendered	R	Imports limited to crude lard, rendered
		R	The Ministry of Agriculture and Forestry may recommend the importation for manufacture of ramen (instant noodles) under processing contract with refiners recommended by the <u>Korea Fat and Oil Co-operative</u> or owners of margarine manufacturing facilities
02.06	Bird and animal meat dried, salted, and smoked, whether or not in airtight containers	R	Subject to recommendation of Minister of Agriculture and Forestry

BTN	Commodity description	Type of restriction	Details
03.01	Fish, fresh, chilled or frozen	R	
03.02	Fish, salted, in brine, dried or smoked	R	
04.01	Milk and cream, fresh (including buttermilk, skimmed milk, sour milk, sour cream, and whey)	R	Subject to recommendation of Minister of Agriculture and Forestry
04.02A	Milk and cream (including buttermilk, skimmed milk and whey), evaporated or condensed in liquid or semi-solid form	R	
04.02B	Milk (including buttermilk, skimmed milk and whey), dry (in solid form such as blocks or powder)	R	Subject to guidelines announced by Minister of Commerce and Industry
04.05	Eggs	R	Limited to eggs hatched by breeding poultry of SITC 001.4 and subject to recommendation by the Minister of Agriculture and Forestry to end-users
ex 06.01-06.02	Bulbs, tubers and rhizomes of flowering or foliage plants; cutting slips, live trees, and other plants	R	Fruit-trees, flower plants, (pot-plants, flowering plants), western mushroom spores and hop roots are subject to recommendation of the Minister of Agriculture and Forestry
07.05	Red beans, broad beans, peas, green beans, and others (in dried form)	LL	(Automatic approval)
ex 07.06	Sweet potatoes	LL	(Automatic approval)

BTN	Commodity description	Type of description	Details
ex 08	Fruit, fresh, not including bananas and pine-apples and nuts, fresh and dried, not including oil nuts	R	
ex 08	Fruit, dried	R	Subject to recommendation of Minister of Commerce and Industry
ex 08.01	Bananas and pineapples, fresh	R	The persons eligible to import are those who have exported or sold to the Armed Forces fruit and fruit processed goods, those who have signed import agency contracts for export, or those who have exported live hogs. Banana imports are limited to those traders who have earned foreign exchange through the export of apples.
10.01-10.05	Wheat, rye, barley, oats, and corn	LL	(Automatic approval)
ex 10.06	Unhulled rice, brown rice, and polished rice (including glazed)	LL	(Automatic approval)
10.07	Buckwheat, kaoliang, millet, etc.	LL	(Automatic approval)
ex 11.01	Wheat and meslin flour	LL	(Automatic approval)
11.02	Wheat and meslin flour (glazed); grains and grain buds (glazed, polished or otherwise worked)	LL	(Automatic approval)
ex 11.03	Soyabean flour and black beans	LL	(Automatic approval)
ex 11.06	Flour and meal of sago and of manioc, arrow-root, salep and other roots and tubers in BTN 07.06	R	Except for arrowroot powder

BTN	Commodity description	Type of restriction	Details
11.07	Malt	R	Import licences will be recommended by the Minister of Agriculture and Forestry if it is impracticable to satisfy demand with domestic malt, provided that the import should not exceed the quantity needed to fill the shortage. Domestic supply is impracticable if the price of domestic malt exceeds the price of imported malt plus the difference in the prices of imported and domestic wheat. Only end-users or persons who have signed export contracts
11.08	Starch and inulin	LL	(Automatic approval)
ex 12.01	Peanuts	R	
	Linseed	R	Subject to recommendation by the Minister of Commerce and Industry provided that importers are limited to end-users authorized by provincial governors
	Soyabeans	R	Imports limited to deficit in domestic supply
	Castor seed	R	The Minister of Agriculture and Forestry may recommend import by end-users authorized by provincial governors to fill the shortage in domestic supply

BTN	Commodity description	Type of restriction	Details
12.01 (cont'd)	Other oilseeds	R	Japanese Judas-tree seed, sesame seeds, and sunflowerseed prohibited. The Minister of Agriculture and Forestry may recommend the import of colza seed, cottonseed, honghwa seed, mustard seed, oiticica seed, stillingia seed, and chaulmoogra seed by persons who have obtained a recommendation from the Korea Fat and Oil Industry Co-operative provided that imports do not exceed the deficit in domestic supply
ex 12.02	Cottonseed meal, linseed meal, cottonseed flour, peanut flour, linseed flour, oilseed flour, soya flour, peanut and peanut meal, linseed meal, oilseed meal, seed meal, and oil kernel meal	R	
	Castor bean meal and flour	R	The Minister of Agriculture and Forestry may recommend the import by persons who have been recommended by the Korea Fat and Oil Industry Co-operative, provided the import does not exceed the deficit in domestic supply
12.03	Seeds, fruit and spores, for planting	R	The Minister of Agriculture and Forestry may recommend import under specified circumstances
12.06	Hops	R	Except for hop cones, dried, which the Minister of Agriculture and Forestry can recommend
ex 12.08	Vegetable products, fresh or dried, n.e.s. except locust beans and careb beans	R	Subject to recommendation of the Minister of Agriculture and Forestry
ex 13.03	Cascara sagrada	LL	(Automatic approval)

BTN	Commodity description	Type of restriction	Details
14.05	Other materials of vegetable origin, n.e.s.	R	Except for agar-agar and Kosiregi
15.01, 15.03	Lard and other rendered pig fat, rendered poultry fat; lard stearin and lard oil, etc.	R R	Imports limited to crude lard, rendered. The Ministry of Agriculture and Forestry may recommend the importation for manufacture of rahmen (instant noodles) under processing contract with refiners recommended by the Korea Dat and Oil Co-operative or owners of margarine manufacturing facilities
15.02	Tallow	R	
15.04	Oils of fish and marine mammals	R	The Office of Fisheries Administration may recommend imports under specified circumstances
ex 15.07	Fixed vegetable oils, soft, excluding olive oil	R	
	Other fixed vegetable oils, excluding coconut oil, palm-oil China wood oil, and Japan wax	R	
	Coconut oil and palm-oil	R	Imports limited to those recommended by the Minister of Health and Social Affairs
ex 15.08	Oils, animal or vegetable, boiled, oxidized, dehydrated, sulphurized, blown or polymerized, excluding dehydrated castor oil	R	Imports require recommendation of the Ministry of Commerce and Industry
ex 15.10	Fatty acids, acid oils, from refining, except stearin and olein acids	R	

BTN	Commodity description	Type of restriction	Details
15.12	Hydrogenated oils and fats	R	Hydrogenated fat and animal oil imports require recommendation of the Minister of Commerce and Industry. Others are importable by such owners of facilities for the manufacture of margarine and cosmetics as are recognized by competent provincial governors. However, owners of confectionery facilities require recommendation of Minister of Commerce and Industry
15.13	Margarine, imitation lard and other prepared edible fats, n.e.s.	R P	Imports require recommendation of the Minister of Commerce and Industry
16.01- 16.02	Sausages and other prepared or preserved meat, whether or not in airtight containers	LL	(Automatic approval)
16.03	Meat extracts and meat juice	R	Imports subject to recommendation of Minister of Agriculture and Forestry
16.04	Fish, preserved	R	
17.01	Raw sugar, beet and cane, not including syrups	R	Limited to end-users with sugar refining facilities provided in the Food Sanitation Law who are recommended by the Korea Sugar Refining Association
	Refined sugar and other products of refining beet and cane sugar, not including syrups	R	Imports require recommendation of the Minister of Commerce and Industry
ex 17.02	Dextrose and glucose, saccharose, honey, and caramel	LL	(Automatic approval)

BTN	Commodity description	Type of restriction	Details
17.03	Molasses	R	The Minister of Commerce and Industry may recommend imports by the Korea Moncsodium Glutamate Industry Co-operative and enterprise manufacturing yeast, but edible molasses are limited to those recommended by the Minister of Health and Social Affairs
17.04	Sugar confectionery not containing cocoa (except chocolate confectionery)	P	
17.05	Flavoured or coloured sugars, syrups, and molasses (not including sweetened fruit juices)	P	
18.06	Chocolate and other food preparations containing cocoa or chocolate	P	
19.03	Macaroni, spaghetti, noodles, vermicelli and similar products	R	Subject to regulations of the Minister of Commerce and Industry
19.04	Tapioca and sago. Tapioca and sago substitutes obtained from potato and other starches	P	
19.05	Food items containing grains	LL	(Automatic approval)
19.06	Sealing wafers, communion wafers and similar products	R	Subject to regulations of the Minister of Commerce and Industry
19.07	Bread, ships' biscuits and other ordinary bakers' wares	R	Subject to regulations of the Minister of Commerce and Industry

BTN	Commodity description	Type of restriction	Details
19.08	Pastry, biscuits, cakes and other fine bakers' wares	R	Subject to regulations of the Minister of Commerce and Industry
ex 20	Fruit, preserved, and fruit preparations, except fruit syrups	R	
	Fruit syrups	R	Imports limited to persons who have exported or sold to Armed Forces fruit and processed fruit or those who have signed import agency contracts with the former
ex 21.04	Sauce and mixed seasonings, except soya bean paste and soya sauce	R	Subject to regulations of the Minister of Commerce and Industry
21.05	Soups and broths	R	Subject to regulations of the Minister of Commerce and Industry
21.06	Natural yeasts (active and inactive) and prepared baking powders	R	Limited to yeast specified in the Pharmaceutical Code and regulations of the Minister of Commerce and Industry
ex 21.07	Miscellaneous food preparations, excluding compound seasonings prepared with amino acid, and vita panzyme-A	R	
ex 22.01, 22.02	Non-alcoholic beverages	R	Limited to non-alcoholic beer, lemonade, beverages containing milk and cocoa, orangeade, cocktail mix and ginger ale, recommended by the Minister of Health and Social Affairs
22.03, 22.07	Alcoholic beverages	R	Subject to the recommendation of the Minister of Finance
22.10	Vinegar and substitutes for vinegar	R	Subject to the regulations of the Minister of Commerce and Industry
24.01	Unmanufactured tobacco	LL	(Automatic approval)