

## **Import Clearance Guidelines**

FedEx strives to make your shipping experience as straightforward as possible. Download a copy of our Korea Import to learn more about procedures, regulations, restrictions, prohibited items, etc. for shipping to and from Korea.

These guidelines provide an introduction of what you should know before shipping a package to Korea to avoid unnecessary clearance troubles and delays.

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# Import Customs Clearance Guidelines ► (Updated 2021-07-08) I. Informal Entry

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## I. Informal Entry

## A. Informal Entry Goods:

Goods used by residents of Korea or duty-free commercial goods with a price of less than US \$150 (goods subject to special customs clearance for express goods under the agreement with the United States are US \$200) are subject to the List-Clearance (an import declaration certificate not issued).

#### **B. Exclusion of Informal Entry:**

- ▶ Drug ▶ Herbal medicine ▶ Products related to wild animals ▶ Items subject to a quarantine of agricultural, forestry, livestock, fishery products, etc. ▶ Health enhancing supplements ▶ Items suspected of violating intellectual property rights ▶ Food/alcohol/tobacco
- ► Cosmetics (limited to functional cosmetics, cosmetics containing placenta, cosmetics containing steroids, and harmful cosmetics such as unknown ingredients) ► Goods additionally submitted in B/L or air waybill according to the correction of the manifest (M/F)
- ▶ Goods whose item name, size, quantity, price, address of consignee/phone number, etc., are incorrectly stated in the customs clearance list ▶ Other goods deemed by the Customs collector inappropriate to the List-Clearance and applicable to goods subject to customs controller's verification of clearance requirements under Article 226 of the Customs Act.

#### II. Special Import Regulations and Laws

#### A. Plant Protection Act

#### Plants subject to quarantine:

Plants, seeds, log, gemstones, and processed wood are subject to the Plant Protection Act. (This should be subject to quarantine regardless of the purpose of use, etc., and customs clearance can be accepted if the importer applies for plant quarantine and passes.)

## Application for quarantine of imported plants, etc.:

Anyone who imports goods subject to plant quarantine shall undergo a plant quarantine report and quarantine at the first port of import, and anyone who intends to file a report and quarantine shall submit the following documents to the regional headquarters or the office that has jurisdiction over the port of import: (Online Application: https://unipass.customs.go.kr)

- ► An import declaration and a quarantine application
- ▶ A Phytosanitary Certificate or an Electronic Plant Quarantine Certificate. However, submission may be omitted in the following cases.
  - $\triangleright$  When importing from a country without a government agency concerning plant quarantine
  - Description by mail, consignment, or moving goods. However, plants for planting or propagating are limited to cases where they are less than the quantity determined and publicly notified by the Minister of Agriculture, Food and Rural Affairs, and have been approved for the exclusion of a quarantine certificate for planting or breeding plants in accordance with the Ordinance of the Ministry of Agriculture, Food and Rural Affairs.
  - ▷ When it is impracticable to attach and transmit other quarantine certificates and this case is prescribed by Ordinance of the Ministry of Agriculture, Food and Rural Affairs
- ▶ A certificate of import permit (in cases of prohibited items)
- ▶ Plant specifications subject to export (import) quarantine (if there are more than two items)

#### Prohibited Items

Please refer to the following list of import prohibited items.

- ► Emergency import restricted plants: emergency import restriction measures ► Conditional import permit plants (limited to non-compliance) ► Soil ► Plants attached with soil (including plants planted for cultivation in decomposed or corroded organic matter, such as peat moss, coco peat, bark, etc.)
- ▶ Plants containing import prohibited items ▶ A living pest

#### Related agencies and contacts, and homepages:

- ▶ Plant Quarantine Department, Animal and Plant Quarantine Agency
  - $\triangleright$  For application/registration **2**(+82) 032-744-5554, 5566 / (+82) 054-912-0616  $\triangleright$  For quarantine **2** (+82) 032-740-2072, 2086  $\triangleright$  Site: Plant Quarantine Online Complaint System <u>www.pqis.go.kr/minwon/index.html</u>
- ► Customs Service UNI-PASS Online Complaint Application Site <a href="https://unipass.customs.go.kr">https://unipass.customs.go.kr</a>

## B. Act on The Prevention of Contagious Animal Diseases

## Prior declaration of the import of animals:

- ▶ Anyone who intends to import the following animals among the designated quarantine items shall fill out a <u>prior declaration on imported animals</u> and report it to the regional quarantine headquarters 30 days prior to the scheduled date of arrival in Korea:
- ▶ The head of the regional headquarters in possession of the report shall determine the capacity of the barn, etc., and notify the importer of the site of quarantine, the quantity of quarantine, the time of quarantine, etc.
- ▶ The head of the regional headquarters shall order the shipper, transporter, etc., of the relevant animal to take necessary measures, such as prohibition of loading and unloading for animals imported without designation of a quarantine site, etc.

## **Prohibited Items:**

▶ Designated quarantine items produced, sent, or passed through a designated and notified import prohibited area and publicly notified by the Minister of Agriculture, Food and Rural Affairs ▶ Pathogens of infectious diseases in animals ▶ Domestic beef and beef products over 30 months of age, not more than five years after the occurrence of bovine spongiform encephalopathy ▶ Certain dangerous substances

However, despite the above import ban, the following items can be imported:



▶ Items permitted by the Minister of Agriculture, Food and Rural Affairs for use in experimental research or manufacturing preventive drugs ▶ Designated quarantine items loaded into vehicles and trains with simple port of call or sealed containers of an aircraft or ship and passed through import prohibited areas

## Application for import animal quarantine:

Anyone who imports the designated quarantine materials shall apply for quarantine to the head of the animal quarantine agency without delay by attaching the following documents and undergoing quarantine by a quarantine officer:

- ▶ A quarantine application and a quarantine certificate of exporting country
- ▶ A certificate of import permit (when permission is obtained as a product subject to import prohibition)

#### **How to apply for animal quarantine:**

- ▶ Apply through the Customs Service UNI-PASS: The Korea Customs Service's UNI-PASS (<a href="https://unipass.customs.go.kr">https://unipass.customs.go.kr</a>)  $\triangleright$  Customs Clearance Single Window  $\triangleright$  Apply for requirements  $\triangleright$  Fill out the application form  $\triangleright$  Select the Animal and Plant Quarantine Agency (Livestock Products)  $\triangleright$  Select the application for quarantine of imported livestock products (or the application for quarantine)  $\triangleright$  Submit the application
- ▶ Or use the paid agency services: Star Customs Broker Company **2** (+82) 010-4302-6290

## **Export quarantine:**

Those who wish to export designated quarantine items must undergo quarantine by a quarantine officer. However, it is excluded when exporting designated quarantine products that are not requested for quarantine from the importing country.

#### Clearance document(s):

▶ Import/Export: An animal quarantine certificate from the Commissioner of the Animal and Plant Quarantine Agency

#### Related agencies and contacts:

Incheon Airport Regional Headquarters Cargo Quarantine Division (+82) 032-744-5551

## C. Radio Waves Act

#### Conformity assessment system of broadcasting and communication equipment, etc.:

- ▶ Items subject to conformity assessment (broadcasting and communication equipment, etc.): ▷ broadcasting and communication equipment ▷ Equipment that causes electromagnetic interference or is affected by electromagnetic waves
- ▶ Anyone who intends to import broadcasting and communication equipment, etc., shall obtain appropriate certification, appropriate registration, or provisional certification in accordance with the conformity assessment criteria.
- ► Applications for all conformity assessments can be made at the Ministry of Science and ICT Electronic Civil Service Center (www.emsit.go.kr).

#### Application procedures for exemption from conformity assessment (requirement exemption):

If you want to import broadcasting and communication equipment exempt from conformity assessment, you must apply for confirmation of conformity assessment exemption to the National Radio Research Agency through the Korea Customs Service's UNI-PASS.

- ▶ After accessing the UNI-PASS (<a href="https://portal.customs.go.kr">https://portal.customs.go.kr</a>) of the Korea Customs Service, sign up for a membership through an accredited certificate:
  - ▷ Application for exemption from conformity assessment (Form 12): Enter directly from the UNI-PASS application page of the Korea Customs Service
  - Documents proving exemption: Documents certifying grounds, such as a test and research plan, export contract, delivery contract, explanatory statement
  - Documents verifying the name and quantity of imported goods: Import contracts, confirmation of sale of goods, and cargo invoices (invoice), etc.
- ▶ Membership inquiry: Korea Customs' e-Clearance Technical Support Center (☎+82 1544-1285)
- ► How to fill out the application form:
  - ightharpoons Importer: Enter the information of the person who imports equipment at the request of the consignee
  - ▷ Consignor (applicant): Enter the information of the person who directly uses imported equipment
  - > Application materials: Enter information on the application equipment subject to exemption from conformity assessment
  - > Customs name: List the name of the customs where the requested equipment clears customs
  - Description Description: Description: Description Des
  - Exemption certification number: This will be prepared by the exemption certification authority. Please do not fill out this information.
  - > Follow-up Management Agency: Please do not fill it out. (Equipment applied for exemption may be investigated by follow-up management agencies to see if they are used in compliance with the relevant requirements, and if they are used for any purpose other than the requirements for exemption, they may be disadvantaged in accordance with related laws.)
- ▶ Notes when applying:
  - > Attach the required documents as PDF, image files, etc., and accurately enter the information of the relevant equipment (model name, quantity, amount, HS code, etc.).
  - ▷ If the information on the applied equipment is not accurate, customs clearance will not be made.
  - ightharpoonup Download the regulations related to exemption from conformity assessment. ho Processing period: One day
- ▶ When an importer or an overseas manufacturer has already obtained Korean KC certification.
  - $\triangleright$  Please apply for the requirements through the UNI-PASS of the Korea Customs Service, and send the approval number when it is completed.



#### ▷ Application procedure:

Log in to the Korea Customs Service's UNI-PASS (<a href="https://portal.customs.go.kr">https://portal.customs.go.kr</a>) with your accredited certificate  $\triangleright$  Customs Clearance Single Window  $\triangleright$  Apply for requirements  $\triangleright$  Fill out the application form  $\triangleright$  Select an application for checking electrical equipment requirements

▶ If non-exemption items require KC certification: Please inquire for certification to one of the institutions below:
▷ Korea Testing Certification institute (www.ktc.re.kr) ▷ Korea Testing & Research Institute (www.ktr.or.kr) ▷ Korea Testing Laboratory (www.ktl.re.kr)

# D. Electrical Appliances and Consumer Products Safety Control Act Overview of the safety certification system:

According to Article 3 of the Electrical Appliances And Consumer Products Safety Control Act, anyone who intends to manufacture electrical products subject to safety certification or manufacture in a foreign country and export to Korea must obtain safety certification for each model of electrical product subject to safety certification before the shipment (domestic manufacturing) and customs clearance (import products) from a safety certification notified body.

#### **Overview of the safety verification system:**

On January 1, 2009, the safety verification system was implemented. It applies differentiated safety management procedures according to the level of risk. In doing so, it considers changes in the surrounding environment, such as the increase in the supply of new products due to the recent development of the electric and electronics industry; and the need to mitigate regulations on companies. For electrical appliances subject to safety verification, factory inspections and regular inspection procedures that occur more than once a year are not applied to electrical appliances subject to existing safety verification.

#### Overview of the supplier compliance check system:

In order to enhance the efficiency of the operation of various high-risk electrical equipment safety management system and to ease regulations on low-risk electrical products, this advanced safety management system requires companies to test products on their own or request a test by a third party to check whether the safety standards are met and sell them after reporting related matters to the Korean Institute of Product Safety (2+82-1833-4010).

#### Safety certifying Institute:

- ► Korea Testing Laboratory: (+82) 080-808-0114 <u>www.ktl.re.kr</u> ► Korea Testing Certification institute: (+82) 1899-7564 <u>www.ktc.re.kr</u>
- ► Korea Testing & Research Institute: (+82)1577-0091 www.ktr.or.kr

## **Documents required for safety certification:**

- ► A copy of a business license or documents equivalent thereto (if there are two or more factories that manufacture the same product, attach it for each factory)
- Documents proving that you are an agent (limited to cases where an agent applies) ▶ A product manual ▶ Electrical circuit drawings and parts specifications (limited to electrical appliances subject to safety certification) ▶ Technical documents, such as mechanical design and electrical circuit production drawings (limited to mechanical metals among household items subject to safety certification) ▶ Documents proving that they are the same product (limited to cases where at least two factories manufacture the same product) ▶ Sample(s) indicating safety certification under the Subparagraph 1 of Paragraph 1 of Article 9 of the Act ▶ Product test sample(s): 1 (if it is determined differently by individual safety standards, the quantity thereof)

#### **Documents required for safety verification:**

- ▶ A copy of the business license ▶ A product manual (including photos) and safety verification test results
- ▶ Documents proving that you are an agent (attached only when the agent reports)

#### **Documents required to report supplier conformity confirmation:**

► A copy of the business license ► A product manual (including photos) ► A supplier conformity confirmation (Form 17 of the Enforcement Rule) ► A notification on supplier conformity confirmation (Form 18 of the Enforcement Rule) ► A product manual (including photos) ► The test results (includes sample photographs, rating, electrical circuit drawings, a list of safety management parts and materials, caution or warning statements, etc., the product test date and place, and the name and affiliation of the product tester, etc.)

#### Introduction of application for import certification exemption (requirement exemption):

- ▶ When eligible for exemption:
  - > Apply for the requirement (exemption) through the UNI-PASS of the Korea Customs Service, and check the approval number (16 digits)
  - $\triangleright$  Log in to the Korea Customs Service's UNI-PASS <a href="https://portal.customs.go.kr">https://portal.customs.go.kr</a> with your accredited certificate  $\triangleright$  Customs Clearance Single Window  $\triangleright$  Apply for requirements  $\triangleright$  Fill out the application form  $\triangleright$  Select an application for confirmation of exemption from electrical appliances (Korean Institute of Product Safety)
- ► When an importer or an overseas manufacturer has already obtained KC certification in Korea (certification obtained by another importer in Korea is not available)
  - $\triangleright$  Log in to the Korea Customs Service's UNI-PASS <a href="https://portal.customs.go.kr">https://portal.customs.go.kr</a> with your accredited certificate  $\triangleright$  Customs Clearance Single Window  $\triangleright$  Apply for requirements  $\triangleright$  Fill out the application form  $\triangleright$  A confirmation (application) for electrical equipment Requirements  $\triangleright$  Confirm the approval number (16 digits) after applying for the requirements through the UNI-PASS of the Korea Customs Service
- ▶ Even if there is a safety certificate in accordance with Article 226 of the Customs Act and Article 3 of the Notice of Designation, the process of applying for requirements (exempt) through the customs clearance portal UNI-PASS is required as above.



## E. Special Act on the Safety of Products for Children

## Children's product:

This means goods or parts, or accessories manufactured for use of children under the age of 13.

#### Major imported items among children's products:

- ▶ Infant clothing (a product for children under 86 centimeters tall) ▶ Toys (under 13 years old)
- ► School supplies (pencils, crayons, colored pencils, oil pastels, etc.) ► Children's water play equipment, protective equipment, sports equipment, etc.

#### Items subject to KC certification:

Children's products that are concerned about the safety of children under the Special Act on the Safety of Children's Products

- ▶ Children's products subject to safety certification: 4 items including child protection devices for automobiles
- ► Children's products subject to safety verification: 17 items including toys
- ▶ Children's products subject to supplier conformity confirmation: Other children's products including leather products for children

## Exemption conditions of all or part of the safety certification of children's products:

- ▶ When manufacturing or importing for the purpose of research, development, or export
- ▶ When manufacturing or importing for the purpose of exhibiting at an exhibition or exposition
- ► When safety certification is obtained from a foreign safety certification notified body publicly notified by the Minister of Trade, Industry and Energy
- ▶ When certification is obtained pursuant to Article 15 of the Industrial Standardization Act
- ▶ When a safety certification notified body certifies the product as suitable after undergoing a product inspection or factory examination by a domestic or a foreign institution that has entered into a mutual recognition contract pursuant to the Paragraph 10 of Article 17

## Testing and research institute:

- ► KOTITI Testing & Research Institute <a href="www.kotiti-qlobal.com/ko/index.do">www.kotiti-qlobal.com/ko/index.do</a> ► FITI Testing & William State Stat
- ► Korea Testing & Research Institute www.ktr.or.kr ► Korea Apparel Testing & Research Institute www.katri.re.kr
- ► Korea Conformity Laboratories <u>www.kcl.re.kr</u> ► Korea Agency for Technology and Standards (Consumer Product Safety Division) <u>www.kats.go.kr</u>

## F. Food Sanitation Act

#### **ACT ON IMPORTED FOOD SAFETY CONTROL:**

- ▶In order for a business operator to import imported food, etc., for sale or business use (including the import declaration on behalf of you), they must file an import report to the Minister of Food and Drug Safety and receive an "import declaration for imported food, etc."
- ▶ Those who intend to engage in the import business, sales business, reporting agency, Internet purchasing agency, and storage business of imported food, etc., must register their business with the Minister of Food and Drug Safety.
- ► Registration of imported food sales: Apply for electronic civil service in the Food Safety Korea : Apply for registration of import sales business <a href="https://www.foodsafetykorea.go.kr/minwonMainNew.do">www.foodsafetykorea.go.kr/minwonMainNew.do</a> <a href="https://www.foodsafetykorea.go.kr/minwon/civilDetailList.do">www.foodsafetykorea.go.kr/minwon/civilDetailList.do</a>

## Food quarantine:

Food, food additives, appliances and containers, packaging, health enhancing supplements, and livestock products

## Goods not subject to food quarantine:

- ► Common imported food imported by a foreign embassy, legislature, consulate, or other institutions equivalent thereto in Korea, or imported food for self-consumption, etc., imported by their family
- ▶ Individuals (travelers, international mail, and international express freight): Imported food, etc., that can be recognized as self-consumption
- ▶ Imported food, etc., which are samples or advertising items brought in free of charge and clearly indicated
- ► Fishery products captured and collected in a foreign economic zone jointly with ships of the relevant country and frozen or processed in Korean ships
- ▶ Machinery and its accessories used for manufacturing, processing, cooking, storing, and transporting food, etc.
- ▶ Non-food ingredients used to manufacture food additives
- ▶ Imported food, etc., directly used by the Government or local governments
- ▶ Imported food brought in as exhibition goods or donated goods for public relations and tasting at events such as fairs
- ▶ Equipment, containers, and packaging manufactured in Korea and displayed at overseas exhibitions, etc.

#### Types of food quarantine inspection:

- $\blacktriangleright \ \, \text{Document inspection: inspection to determine whether the reported documents, etc., are appropriate or not all the properties of the properties of$
- ▶ On-site inspection: inspection to determine suitability by combining the product's property, condition, taste, smell, color, labeling, packing status, detailed inspection history, etc.
- ▶ Detailed inspection: inspections (for the first time imported) of documents and on-site inspections, which are conducted in accordance with physical, chemical, or microbiological methods
- ▶ Random sample inspection: inspections conducted by physical, chemical or microbiological methods in accordance with the sampling plan of the Minister of Food and Drug Safety, including documents and on-site inspections

#### **How to apply for food quarantine:**

▶ Log in to the UNI-PASS website of the Korea Customs Service with your accredited certificate and access <a href="https://unipass.customs.go.kr/csp/index.do">https://unipass.customs.go.kr/csp/index.do</a> Customs Clearance Single Window Apply for requirements Fill out the application form Select the Ministry of Food and Drug Safety in the 'Search for an application' Select the import declaration form for imported food,



etc., from the 'Application name'  $\triangleright$  Select the following basic items (select one of two options, 'main declaration' or 'prior declaration' separately and then the 'Declared products,' category 'Select processed food

Reporting agency' Select Incheon International Airport Imported Food Inspection Center)

- ► For other matters, you can use the information provided for food quarantine to directly enter an applicant, import reporter, overseas manufacturing place, export place, packing place, manufacturing processor, report general, etc.
- ▶ When entering the inspection (entry) place, please fill in the following information '04077008' for 'Storage warehouse code' and 'Federal Express Corporation Bonded Warehouse' for 'Storage warehouse name'
- ▶ Ministry of Food and Drug Safety General Counseling Center: **2**(+82) 1577-1255 (Seoul Regional Office of Food and Drug Safety Related departments: Imported food department)

## G. Pharmaceutical Affairs Law

#### Applicable items and related agencies:

- ▶ Drugs and quasi-drugs, drug substances, and herbal medicines: Ministry of Health and Welfare, Ministry of Food and Drug Safety
- ▶ Animal drugs: The Ministry of Agriculture, Food and Rural Affairs, Animal and Plant Quarantine Agency, and the Ministry of Oceans and Fisheries

#### Scope of exemption from confirmation of import requirements and competent authorities:

- ▶ Scope of exemption from confirmation of import requirements
  - ▷ For self-treatment (US \$2,000 or less) ▷ For relief operation ▷ For manufacturing construction ▷ For research test▷ For sample
  - Description Descr
- ▶ Competent authorities for exemption of confirmation of import requirements
  - > The mayor/governor (for self-treatment, the mayor/governor of the patient's medical treatment hospital may also make a recommendation).
  - CEO, Korea Orphan & Essential Drug Center: Self-treatment, relief operation (for national essential drugs only)
  - ▷ The head of the Regional Office of Food and Drug Safety: Drug substances for manufacturing and construction, research testing, sample use, and overseas entrusted drugs

#### Clearance document(s):

- ▶ Drugs and quasi-drugs: A standard customs clearance forecast report by the head of the Korea Pharmaceutical Traders Association
- ▶ Drugs (for self-treatment, relief operation, sample, research, etc.) falling under the scope of exemption from confirmation of import requirements: A recommendation for exemption from confirmation of import requirements
- ► Herbal medicine: An inspection certificate, sample collection certificate, or import approval (confirmation of requirements) by the head of the National Institute of Food and Drug Safety Evaluation or the head of the Korean medicine quality inspection agency designated by the Minister of Food and Drug Safety
- ▶ Animal drug: A standard customs clearance forecast report by the president of Korea Animal Health Products Association

#### Procedures on customs clearance by item:

- ▶ Drugs under national lot release: Vaccines (including toxoid), plasma derivatives, antitoxins, botulinum products, tuberculin products ▷ Prior to customs clearance, receive a standard customs clearance forecast report issued by the Korea Pharmaceutical Traders Association and submit it to the Customs.
  - Description Note that the Normal Section Note that the Administration of the Administration of the Administration of the Administration of Normal No
- ▶ Drugs not under national lot release
  - Drugs (excluding drug substances and herbal medicines)
  - ✓ Obtain the certificate of product license for imported items from, and declare them to the head of the Food and Drug Safety Administration
  - ✓ Prior to customs clearance, obtain a standard customs clearance forecast report issued by the Korea Pharmaceutical Traders Association issues and submit it to the Customs.
  - ✓ Within 3 days after customs clearance, submit a written request for examination to the head of the city/ward health and environment research institute for examination.
  - Drug substances: This item does not require you to obtain a license and declare imported items. Submit a standard customs clearance report issued by the Korea Pharmaceutical Traders Association to Customs.

  - ✓ You have to report imported items to the head of the Food and Drug Safety Administration. (For herbal medicine other than herbal medicine designated as a standard herbal medicine, the reporting procedure is omitted)
  - ✓ Every time a product is imported, an application for quality inspection shall be submitted to the head the National Institute of Food and Drug Safety Evaluation, the head of a local agency, or the head of an herbal medicine quality inspection agency designated by the head of the Ministry of Food and Drug Safety. After undergoing a sensory examination according to the imported herbal medicine examination method, the product must go through customs clearance. However, for herbal medicines subject to thorough examination and examination of hazardous materials, sample collection certificates can be issued and submitted to the head of the relevant customs office to clear it through customs.



#### H. Medical Device Law

#### The scope of medical devices:

- ▶ Products used for diagnosis, cure, alleviation, treatment, or prevention of diseases
- ▶ Products used for diagnosis, cure, alleviation, or correction of injuries or disabilities
- ▶ Products used for inspection, replacement, or transformation of structures or functions
- ▶ Products used for control of pregnancy

#### **Related agencies:**

- ► Medical devices for human use: The Ministry of Health and Welfare (<a href="www.mw.go.kr">www.mw.go.kr</a>), the Ministry of Food and Drug Safety (<a href="www.mfds.go.kr">www.mfds.go.kr</a>), the Korea Medical Devices Industry Association (<a href="www.kmdia.or.kr">www.kmdia.or.kr</a>)
- ▶ the Korea Dental Industry Association (www.kodda.co.kr)
- ► Medical devices for animals: Ministry of Agriculture, Food and Rural Affairs, Animal and Plant Quarantine Agency (<a href="www.qia.go.kr">www.qia.go.kr</a>), Korea Animal Health Products Association (<a href="www.kahpa.or.kr">www.kahpa.or.kr</a>)
- ► Etc. National Institute of Medical Device Safety Information (<a href="www.nids.or.kr">www.nids.or.kr</a>), Korea Testing Laboratory (<a href="www.ktl.re.kr">www.ktl.re.kr</a>)

#### Clearance document(s):

- ▶ Medical devices: A standard customs clearance forecast report by the head of the Korea Medical Devices Industry Association
- ▶ Experimental medical devices (for testing, private use, and relief operation): A recommendation by the head of the National Institute of Medical Device Safety Information or by the head of the Korea Medical Devices Industry Association, for confirmation of exemption from requirements for medical devices
- Medical devices for animals: A standard customs clearance forecast report by the head of the Korea Animal Health Products Association

## Scope of exemption from confirmation of import requirements and competent authorities:

- ► Korea Medical Devices Industry Association
  - ▶ Medical devices subject to clinical trials approved by the clinical trial plan
  - > Separate medical devices necessary for conducting clinical trials that do not require approval from a clinical trial plan
  - > Separate medical devices necessary for conducting clinical trials on drugs, etc., subject to approval of a clinical trial plan
  - ▷ Medical devices required for testing and inspection to obtain the manufacturing and importing permits of, or the manufacturing and importing certifications of medical devices (medical devices for a manufacturing permission and certification shall be limited to medical devices manufactured by entrusting entire processes to a foreign country)
  - ▶ Medical devices used for research and testing for product development ▶ Sample medical devices physical product verification
  - > Medical devices for examination, such as classification and designation of the class for medical devices, grade evaluation, compliance assessment of quality control standards, and examination of technical documents
  - > Medical devices that are imported and requested for testing and inspection from abroad
- ▶ <u>National Institute of Medical Device Safety Information</u>
  - $\triangleright$  Medical devices for relief operation  $\triangleright$  Medical devices for personal use  $\triangleright$  Other medical devices deemed necessary by the Minister of Food and Drug Safety

## I. Cosmetics Act

## Import, customs clearance procedure:

- Anyone who intends to distribute and sell imported cosmetics and anyone who intends to arrange and award cosmetics for the purpose of importing transactions by agencies (limited to e-commerce) shall register with the Minister of Food and Drug Safety.
- Lustoms clearance must be made after receiving a standard customs clearance forecast report from the Korea Pharmaceutical Traders Association, and only appropriate products should be sold after customs clearance followed by quality inspection.
- ▶ Functional cosmetics should be examined by the Minister of Food and Drug Safety.
- ▶ After customs clearance and quality inspection, only qualified products must be sold, and the labeling on containers, packages, or attached documents should be written in Korean.

## Scope of exemption from confirmation of import requirements and competent authorities:

- ▶ Scope of exemption from confirmation of import requirements
  - $\triangleright$  For self-treatment (US \$2,000 or less)  $\triangleright$  For relief operation  $\triangleright$  For manufacturing construction  $\triangleright$  For research test  $\triangleright$  For sample  $\triangleright$  Quasi-drugs and cosmetics for consumer research
- Cosmetics within the scope of exemption from confirmation of import requirements: Competent authorities for exemption from requirements and exemption from the confirmation of import requirements
  - > The mayor/governor (for self-treatment, the mayor/governor of the patient's medical treatment hospital may also make a recommendation).
  - ▷ CEO, Korea Orphan & Essential Drug Center: For self-treatment
- ▶ The head of the Regional Office of Food and Drug Safety: For manufacturing construction, research, and sampling

#### Clearance document(s):

- ▶ Cosmetics: A standard customs clearance forecast report by the head of the Korea Pharmaceutical Traders Association
- ▶ Cosmetics within the scope of exemption from confirmation of import requirements: A recommendation for exemption from requirements

#### **Related institutions:**

- ► Ministry of Health and Welfare (<u>www.mohw.go.kr</u>) ► The Ministry of Food and Drug Safety (<u>www.mfds.go.kr</u>)
- ► The National Institute of Food and Drug Safety Evaluation (<a href="www.nifds.go.kr">www.nifds.go.kr</a>) ► The Korea Pharmaceutical Traders Association (<a href="www.kpta.or.kr">www.kpta.or.kr</a>)



#### J. Chemical Substance Control Act

#### **Confirmation of Details for Chemical Product:**

- Anyone who intends to import chemicals shall confirm whether the relevant chemical or its component falls under any of the following, fill out [a statement of confirmation of details for chemical product] and submit it to the Korea Chemicals Management Association. (Submit online: <a href="https://ols.kcma.or.kr">https://ols.kcma.or.kr</a>)
  - $\triangleright$  Phase-in substance(s)  $\triangleright$  Non phase-in substance(s)  $\triangleright$  Toxic substance(s)  $\triangleright$  Substance(s) subject to authorization  $\triangleright$  Restricted substance(s)
  - ▷ Prohibited substance(s) ▷ Substance(s) requiring preparation for accidents
- Anyone who intends to import chemicals may, if necessary, attach a component specification to the <u>application form of chemical</u> <u>verification certificate</u> and apply for a chemical verification certificate to the Korea Chemicals Management Association. (Submit online: ols.kcma.or.kr)

#### Exemption from the permission to import restricted substances and the import declaration of toxic substances:

- ▶ When importing reagents for testing, research, and inspection (including standard gas used for calibration and measurement of measuring devices) for the purpose of use
- ▶ When a toxic substance not exceeding 100 kilograms is imported annually

#### Clearance document(s):

- ▶ Restricted substances: A permit to import (change) restricted substances by the head of the basin (regional) Environment Agency
- ▶ Prohibited substances (excluding talc containing at least 1% of asbestos): A permit to import (change) prohibited substances by the head of the basin (local) Environmental Agency
- ► Talc containing at least 1% of asbestos: A plan for manufacturing and selling imported talc stones, or a certificate of confirmation of whether it is a prohibited substance
- ▶ Toxic substance: A certificate of import (change) of toxic substances by the head of the basin (regional) environmental office

#### Related agencies and contacts:

- ▶ Department of Environment Chemical Safety Division (<u>www.me.go.kr</u>)
- ► The National Institute of Environmental Research Chemical Registration Evaluation Team (www.nier.go.kr)
- ► Korea Chemicals Management Association (<u>www.kcma.or.kr</u>)

## K. Infectious Disease Control And Prevention Act

#### **High-risk pathogens:**

- ► Germs and fungi
- ► Viruses and prions

#### Permission to bring in high-risk pathogens:

- ▶ Anyone who intends to bring high-risk pathogens into Korea for the purpose of diagnosis and academic research of infectious diseases shall obtain permission from the Minister of Health and Welfare with all of the following requirements:
  - ▷ Installation and operation of high-risk pathogen handling facilities
  - ▷ Establish a safe transport and emergency action plan for high-risk pathogens
- Anyone who intends to obtain permission to bring in high-risk pathogens shall submit an <u>application for permission to bring in high-risk pathogens</u> to the head of the Korea Disease Control and Prevention Agency, along with the following documents:
  - > A carry-in contract (referring to a contract for carrying-in agent in cases of carrying-in agent) or an order sheet
  - ▷ A plan for bringing in and using high-risk pathogens
  - > A transport contract or a self-transport plan which records transport routes, means of transport, and transport companies
  - ▷ Evidence verifying the possession of high-risk pathogen treatment facilities

#### **Clearance document(s):**

A permit to import of, and a certificate of notification of acquisition of high-risk pathogens from the Minister of Health and Welfare.

## Related agencies and contacts:

Ministry of Health and Welfare Division of Disease Policy 2(+82) 044-202-2505 www.mohw.go.kr

## L. CITES

#### **Examples of items:**

Crocodile, Lizard (watch strap, , Handbag, Belt), Ivory, Ostrich, Python, Chinchilla (coat), Leopard (carpet), Tiger bone, Musk, Elecampane roots (Chinese herbal medicine), Polar bears, Peacock feathers, Coral, Rosewood, Mahogany, Orchids, Cactus, and Caviar (including extracts).

#### **Caution:**

Leather or fur products may require a scientific name for CITES verification.

#### **Documents required for exporters:**

An original copy of the CITES export license issued by the exporting country government agency

## **Documents required for importers:**

An original or a copy of the CITES import permit issued by the head of the basin (local) Environmental Office



## **III. Duty Exemption**

#### A. Re-Import

#### Basis of regulations of tariff reduction and exemption system:

Pursuant to of the Customs Act (Re-import Exemption under Article 99, and reduction of overseas trusted and processed goods, etc. under Article 101)

#### ▶ Goods that are subject to exemption from Customs Duties for Re-Import under Article 99

Doods exported in Korea including bonded processing exports which are not manufactured, processed, repaired, or used over within two years from the date on which an export declaration is accepted (hereinafter referred to as "re-import" in this Article). However, it is not applicable to goods that can be used over a long period of time, but are exported for temporary use overseas under a lease contract or contract, or to good as prescribed the Ordinance of the Ministry of Strategy and Finance, such as goods which are displayed and used at fairs, exhibitions, shows, international competitions, and other similar events.

- ▶ However, customs duties shall not be exempted in any of the following cases:
- $\checkmark$  When customs duties are reduced or exempted for the relevant goods or raw materials
- ✓ When a refund is received under this Act or the Act on Special Cases concerning the Drawback of Customs, etc., Levied on Raw Materials for Export
- ✓ When anyone other than the person eligible for a refund under this Act or the Act on Special Cases Concerning the Refund of Customs Duties, etc. Levied on Raw Materials For Export re-imports the relevant good. However, the foregoing shall not apply when a re-importer submits a document verifying that the person entitled to claim a refund for re-imported goods has waived his/her right to receive a refund, to the head of a Customs collector.
- ✓ When no tariff is imposed on the sale of goods subject to bonded processing or of overdue storage goods on condition of re-export.
- √ Goods re-imported as containers for export goods
- √ Goods re-imported after being exported for overseas testing and research purposes

## ▶ Goods that are subject to reduction from Customs Duties on Overseas Trusted and Processed Goods, etc. under Article 101

- ▷ Goods manufactured or processed by exporting raw materials or parts as items No. 9006 out of items No. 85 and 90 of the tariff table
- Description Descr
- ✓ Freight and insurance premiums of the relevant goods to the country where the goods are repaired or processed
- ✓ Uploading costs in the country where goods are repaired or processed and other expenses incurred in delivering them to repairers or processors
- ✓ All expenses incurred in repairing or processing
- ✓ All transportation costs, shipping costs and all other expenses incurred in the receiving country after repair or processing, shipping costs, etc.
- ✓ Freight, insurance premiums, and other expenses of the relevant goods from the port of export of the country in which repair or processing has been made to the port of first import
- ✓ In principle, where an importer shall bear the expenses referred to in subparagraphs 1 and 2 and does not bear the expenses referred to in subparagraphs 4 and 5, the expenses referred to in subparagraphs 4 and 5 shall be the same amount as the expenses referred to in subparagraphs 1 and 2, but where there is a difference in the type of transportation, etc., an adjustment shall be taken into consideration (the vice versa)

## **Examples of Re-Import Exemption Cases**;

- ▶ In the case of re-import after repair (Article 101(2) of the Customs Act)
  - ▷ Exemption: Product value of Import and export

  - ✓ Exceptionally, Duty and VAT may be exempted on the repair and round-trip fare if the product breaks down during the repair warranty (within one year from the date of receipt of the import declaration) and is repaired free of charge
  - ✓ When goods are re-imported after they are repaired in the FTA counterpart countries regardless of country of origin pursuant to the Free Trade Agreement, Duty and VAT exemption for repair costs and round-trip fares [Counterpart countries: as of March 26, 2021, USA, Australia, Canada, Vietnam, New Zealand, Columbia, Chile, and Central America (Costa Rica, El Salvador, Honduras, Nicaragua, and Panama)]
  - ✓ However, in order to be subject to tax exemption, a formal export declaration is required (documentary evidence must be submitted upon re-importing).
  - ✓ Reduction or exemption can be applied if the goods are the same between export and import and exit, and in order to prove it to the Customs, you shall have a serial number of the product or a unique number, etc. to identify the product
- ▶ In the case of re-import of defective goods (applicable to Article 99 (1) of the Customs Act): Tariff exemption may be applied if goods exported from Korea are not manufactured, processed, repaired, or used in a foreign country, and are imported within two years from the date on which the export declaration is accepted. (However, VAT may be taxed or exempted pursuant to Article 54 of the Enforcement Decree of the Value-Added Tax Act)
- ▶ Re-import of goods used at exhibitions [Article 99 (1) of the Customs Act]:

If the goods on display are re-imported to Korea within two years after being used for the purpose of the event, tariffs and VAT may be exempted (Provided, an export permit suitable for export purposes is required)



## **B. Temporary Import For Re-Export**

#### Pursuant to the Customs Act: Article 97: Tax exemption for re-export

#### ▶ Related laws

▷ Articles 50 and 51 of the Enforcement Rules, Articles 114, 115, 116 of the Enforcement Decree, Articles 97 of the Customs Act,
 ▷ Article 97 of the Customs Act: Public notice on the implementation of the re-export tax exemption system

#### ▶Re-export period:

The following period of each of the following subparagraphs shall be the period of tax exemption for re-export: (<u>Article 115 of the Enforcement Decree</u>)

- ▷ In the case of personal goods directly carried and imported separately for the purpose of personal use and re-export, personal goods and goods required for journalistic reporting separately imported or similar goods by a person who enters the country temporarily, the period is from the entry date to the first departure date
- > For goods imported for entry or use at fairs, exhibitions, and other events equivalent thereto, adding the period necessary to reexport the relevant goods at the end of the event period of the fair, etc.
- > For goods and materials for processing or repair, the period shall be deemed as required for processing or repair.
- Dother goods shall be for a period confirmed by documentary evidence concerning the relevant carry-in contract, but where it is impossible to be verified by documentary evidence concerning the carry-in contract, the period will be determined by a Customs collector in consideration of the nature, use, importer and the useful life of the goods concerned

### ► Provision of Security:

An amount equivalent to the amount of tariff exempted pursuant to the following classifications shall be provided as security until the import declaration is accepted (<u>Article 108 of the Act</u>)

- Monetary collateral: The amount of tariff reduction (100%) (Article 25 of the Act)
- ▷ Other collateral: Reduced tariff amount (100%) + primary additional charge (3%)
- Description > However, where the amount of tax reduction or exemption is less than 500,000 won, the provision of collateral shall be excluded (Article 12 (1) 4 of the Public Notice)

#### ▶Post management:

Exempted customs duties shall be immediately collected from the person who has failed to export, the person who has used it for any purpose other than the original purpose, or the person who has transferred it, and when it is impossible to collect the relevant customs duties from the transferrer, and customs duties exempted from the transferee shall be collected immediately in the following cases (however, this shall not apply where it has been destroyed due to a disaster or other unavoidable reasons or has been disposed of with prior approval from a Customs collector):

- ▶ When goods are not exported within the prescribed period
- ▶ When goods are used for any purpose other than the prescribed purpose, or transferred to anyone who intends to use them for any purpose other than the intended purpose

#### ▶ Additional duty:

If goods are not exported within the period, 20% of the tariff shall be imposed on the goods, provided this cannot exceed 5 million won. **Reference:** 

- ▶ When re-exporting, the good's unique identification code (serial number) may be normally required to ensure that the good's code or other properties are not been altered.
- ▶ In the case of import declaration, if there is no S/N of the good, S/N is given through repair work or a photo of the product is attached and submitted.

## **Documents required for import clearance:**

- ► An explanatory statement for import
- ► Matters to be included in the statement of reasons: Grounds for bringing in, types of collateral, item's serial number, information on persons in charge
- The scheduled date of re-export (minimum of three months to one year must be specified. At this time, it must be set as the last day of the month. For example: Scheduled to be exported again on December 31)
- ► An application for collateral purpose (a form provided by FedEx)
- ▶ A copy of the bankbook (cash collateral), or a policy for guarantee insurance of tax payment (securities collateral)

## C. De-Minimis for Business Sample & Private Use

#### For Business Use:

Goods subject to exemption from sample [paragraph 1 of Article 45 of the Enforcement Rules of the Customs Act]

- ▶ Goods deemed to be used as a sample because goods are treated in a state of perforation, cut, or unable to be sold under normal conditions
- lacktriangle Item lists, price tags, trade guides, etc. for the purpose of sale, or lease,
- ▶Goods whose taxable price (CIF: cost, insurance, freight) is not more than USD 250 and deemed to be used as a sample
- ▶Goods deemed to be used as a sample based on their shape, nature, and performance

#### For Personal Use:

▶ Personal small tax exemption standards [paragraph 4 of Article 94 of the Customs Act]:

Goods with prices no more than USD 150 and are recognized as self-used goods. However, this shall exclude goods imported repeatedly or in installments, which meet the standards determined by the Commissioner of the Korea Customs Service



▶ Individual aggregate taxation (business handling standards for importing multiple cases within the scope of micro-tax exemption): When goods imported by a domestic resident through special consignment or international mail, etc. arrive in several cargoes on the same date, and in cases falling under any of the following subparagraphs, the aggregate tax shall be levied

▷ When goods subject to taxation brought into a single air waybill (AWB) are divided into import customs within the scope of tax exemption

>When two or more goods (AWB standards) with the same entry date are brought in and imported through customs. (However, items brought in from two or more countries are excluded.)

>When an import declaration is filed by bringing in taxable goods purchased on the same date from the same overseas supplier within the scope of tax exemption

> If the total amount exceeds the standard amount of List – Clearance (US \$150; but \$200 for the United States), the list will be excluded

and is subject to a formal import declaration

⊳Even if they are subject to a formal import declaration, goods recognized as self-use goods with a total price of US \$ 150 or less shall be exempted from tariffs and VAT

#### IV. Prohibited Items

Article 234 (Prohibition on Export and Import): Any of the following goods shall not be exported or imported:

- ▶ Books, publications, drawings, movies, records, videos, sculptures, or other goods equivalent thereto that disrupt the order of the Constitution, or the order of public well-being.
- ▶ Goods used for leaking confidential government information or for espionage activities
- ▶ Counterfeits, forged good, or imitations of currency, bonds, or other securities

#### V. Reference

- ► Korea Customs Service www.customs.go.kr ► Korea Customs Service UNIPASS: portal.customs.go.kr
- ► Korea Customs Service FTA Portal: <a href="www.customs.go.kr/ftaportalkor/main.do">www.customs.go.kr/ftaportalkor/main.do</a>
- ▶ Site dedicated to personal customs clearance code application: <a href="https://p.customs.go.kr">https://p.customs.go.kr</a>
- ► Animal and plant quarantine
  - > Animal and Plant Quarantine Agency: www.qia.go.kr
- ► Convention on International Trade in Endangered Species
  - ➤ The Ministry of Environment: <u>www.me.go.kr</u>
  - ▶ The Geumgang River Basin Environmental Office: www.me.go.kr/gg
  - ▶ Nakdong River Basin Environmental Office: www.me.go.kr/ndg
  - Daegu Regional Environmental Agency: <a href="https://www.me.go.kr/daegu">www.me.go.kr/daegu</a>
  - ▷ Saemangeum Regional Environmental Agency: <a href="https://www.me.go.kr/smg/">https://www.me.go.kr/smg/</a>
  - > Yeongsan River Basin Environmental Office: www.me.go.kr/ysq
  - ightharpoonup Wonju Regional Environmental Agency: <u>www.me.go.kr/wonju</u>
- ▶ Related to hazardous chemicals
  - >Korea Chemicals Management Association: www.kcma.or.kr
- ▶ Related to electrical appliances and household goods
- ▶ Items subject to Radio Waves Act
  - ▷ National Radio Research Agency <a href="https://rra.go.kr">https://rra.go.kr</a>
- ▶ Items subject to the Act On The Safety Of Children's Products

  - ⊳Friend of Industry Technology Information Testing & Research Institute <u>www.fiti.re.kr</u>
- ▶ Related to exemption of electricity, radio waves, and children's product requirements
  - ▷ Korean Institute of Product Safety https://kips.kr
- ▶ Related to food, drugs, medical devices, and cosmetics
  - ${\color{red}} {\color{blue}} {\color{bl$
  - hd Korea Pharmaceutical Traders Association  $\underline{www.kpta.or.kr}$  hd Korea Medical Devices Industry Association:  $\underline{www.kmdia.or.kr}$

#### VI. Mandatory Business and Personal Customs Clearance Code

You must present the customs clearance code issued from the Korea Customs Service for customs clearance of imports and exports. An importer, exporter, or agent should secure the respective customs clearance code in advance to avoid delays in customs clearance. **Business Customs Clearance Code** (Ex.: Business 1981017)

- (Direct) Application Site: Korea Customs Service UNIPASS (https://unipass.customs.go.kr) View/apply the customs clearance code
- ▶ Proxy Application through Star Customs Broker Company:



- 1) <a href="www.fedexcom/en-kr/support/dearance/how-to-dear-oustoms.html#forms\_Tab2">www.fedexcom/en-kr/support/dearance/how-to-dear-oustoms.html#forms\_Tab2</a> Download and fill in the "Power of Attorney for Application of Customs Clearance Code." Signatures are not accepted, and a stamp seal is required.
- 2) Copy of business registration certificate
- 3) FedEx waybill or invoice
- Imports: entry@starcustoms.co.kr
- Exports: export@starcustoms.co.kr

## Personal Customs Clearance Code (Ex.: P111234567899)

- ► Application Site: <a href="https://unipass.customs.go.kr/csp/persIndex.do">https://unipass.customs.go.kr/csp/persIndex.do</a>
- ▶ New issuance can be carried out via mobile phone authentication under the subscriber's name, authentication via an accredited certificate, or simplified authentication. (If Exporter or Import is foreigner, Passport number, Nationality, Full name can replace the Personal Customs Clearance Code)