

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

VAL/2/Rev.2/Add.1/Suppl.1

5 November 1986

Special Distribution

Committee on Customs Valuation

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INFORMATION ON IMPLEMENTATION AND ADMINISTRATION OF THE AGREEMENT

Check-list of Issues

Supplement

REPUBLIC OF KOREA

At its meeting held on 5 May 1981, the Committee on Customs Valuation decided, inter alia, that Parties should reply in writing to the points contained in the revised check-list of issues relating to national legislation on customs valuation. At its meeting of 13 December 1985, the Committee agreed that questions 14 and 15 be added to the check-list.

The attached reply submitted by the delegation of the Republic of Korea updates that contained in VAL/2/Rev.2/Add.1, in the light of the Detailed Enforcement Regulations on Customs Assessment of October 1986 (document VAL/1/Add.19/Suppl.2).

1. Questions concerning Article 1;

(a) Sales between related persons;

(i) Are sales between related persons subject to special provisions?

Answer; Sales between related persons are prescribed Article 17 of the Detailed Enforcement Regulations on Customs Assessment (hereinafter referred to as the Detailed Regulations)

(ii) Is the fact of intercompany prices prima facie considered as grounds for regarding the respective price as being influenced?

Answer; No. Even if the buyer and seller are related (including intercompany transactions), if the importer verifies that the declared value closely approximates a certain value which has been accepted as the customs value, the declared value shall be acceptable as customs value.

It is provided in Article 17.2 of the Detailed Regulations.

(iii) What is the provision for giving the communication of the afore-mentioned grounds in writing if the importer so requests?
(Article 1.2.(a))

Answer; Article 2.1 of the Detailed Regulation provides if there is any difference between customs authority and the importer in determining the customs value, the customs officials shall give the importer an opportunity to explain his opinion.

(iv) How has Article 1.2(b) been implemented?

Answer; It is provided in Article 17.3 of the Detailed Regulations.

(b) Price of lost or damaged goods;

Are there any special provisions or practical arrangements concerning the valuation of lost or damaged goods?

Answer; It is provided in Article 31 of the Detailed Regulations.

2. How has the provision of Article 4 to allow the importer an option to reverse the order of application of Article 5 and 6 been implemented?

Answer; Article 5 of the Detailed Regulations provides that the order of the application of deductive value or computed value can be reversed.

3. How has Article 5.2 been implemented?

Answer; There is no special provisions in the Detailed Regulations.

See the answer for the Customs Law distributed by VAL/2/Rev. 2/Add.1, 21 April 1986.

4. How has Article 6.2 been implemented?

Answer; There is no special provision to compel any non-resident to submit any kind of records or information.

5. Questions concerning Article 7;

(a) What provisions have been made for making value determinations pursuant to Article 7 ?

Answer; Article 28 of the Detailed Regulations provides the determination of customs value by the Reasonable means and examples of reasonable standard.

(b) What is the provision for informing the importer of the customs value determined under Article 7?

Answer; See answer 1.(a). (iii) above.

(c) Are the prohibitions found in Article 7.2 delineated?

Answer; They are delineated in Article 28.4 of the Detailed Regulations.

6. How have the options found in Article B.2 been handled?

In the case of FOB application, are ex-factory prices also accepted?

Answer; See the answer for the Customs Law distributed by VAL/2/Rev.2/Add.1 21 April, 1986.

7. Where is the rate of exchange published, as required by Article 9.1 ?

Answer; See the answer for the Customs Law distributed by VAL/2/Rev.2/Add.1 21 April, 1986.

8. What steps have been taken to ensure confidentiality as required by Article 10?

Answer; There are no special provisions in the Detailed Regulations.

See the answer for the Customs Law distributed
by VAL/2/Rev.2/Add.1 21 April, 1986.

9. Question concerning Article 11

(a) What rights of appeal are open to the importer
or any other person?

Answer; See the answer for the Customs Law distributed
by VAL/2/Rev.2/Add.1, 21 April, 1986.

(b) How is he to be informed of his right to further
appeal?

Answer; See the answer for the Customs Law distributed
by VAL/2/Rev.2/Add.1, 21 April, 1986.

**10. Provide information on the publication, as required
by Article 17, of**

(a) (i), the relevant national laws;

Answer; See the answer for the Customs Law distributed
by VAL/2/Rev.2/Add.1 21 April, 1986.

(ii) The regulations concerning the application
of the agreement;

Answer; See the answer for the Customs Law distributed
by the VAL/2/Rev.2/Add.1, 21 April 1986.

(iii) The judicial decision and administrative
rulings of general application relating to
the agreement;

Answer; See the answer for the Customs Law distributed by the VAL/2/Rev.2/Add.1, 21 April 1986.

(iv) General or specific laws being referred to in the rules of implementation and application.

Answer; See the answer for the Customs Law distributed by the VAL/2/Rev.2/Add.1, 21 April 1986.

(b) Is the publication of further rules anticipated?
Which topics would they cover?

Answer; No publication is anticipated.

11. Question concerning Article 13;

(a) How is the obligation of Article 13 (last sentence) being dealt with in respective legislation?

Answer; See the answer for the Customs Law distributed by the VAL/2/Rev.2/Add.1, 21 April 1986.

(b) Have additional explanations been laid down?

Answer; No.

12. Questions concerning Article 16;

(a) Does the respective national legislation contain a provision requiring customs authorities to give an explanation in writing as to how the customs value was determined?

Answer; See answer 1(a) (iii) above.

(b) Are there any further regulations concerning an
above-mentioned request?

Answer; No.

13. How have the Interpretative Notes of the Agreement
been included?

Answer; The most significant Interpretative Notes
of the Agreement have been included in the
Customs Law, the Presidential Decree and
the Detailed Regulations.

14. How have the provisions of the Decision of 26
April 1984 on the Treatment of Interest Charge in
the customs value of Imported Goods been
implemented?

Answer; See the answer for the Customs Law distributed
by the VAL/2/Rev./2/Add.1, 21 April 1986.

15. For those countries applying paragraph 2 of the
Decision of 24 September 1984 on the Valuation of
Carrier
Media Bearing Software for Data Processing Equipment
(Val 18), how have the provisions of this paragraph
been implemented?

Answer; See the answer for the Customs Law distributed
by the VAL/2/ Rev.2/Add.1, 21 April 1986.