

Introduction to
**WTO TFA Implementation –
Korea's Experience**
Regarding **Advance Ruling**

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KOREA CUSTOMS SERVICE

[Part 1]

TFA (Section 3)
Advance Ruling

- **Advance Ruling**
 - Trade facilitation
 - Transparency
 - Predictability(\leftrightarrow Uncertainty)
 - Binding power(\leftrightarrow Arbitrariness)

TFA_Section 3_Advance Ruling

1. Application and Denial

- Reasonable time-bound
- In Writing with all necessary information

2. Conditions for Denial

- Pending in governmental agency, appellate tribunal, or court
- Already decided by appellate tribunal or court

3. Expiration Date

- Reasonable period under same law, facts, circumstances

TFA_Section 3_Advance Ruling

4. Revoke, Modification, Invalidation

- In writing with the relevant facts and the basis for decision
- Retroactively only with incomplete, incorrect, false, misleading information

5. Binding

- Issuing Member (not the any other member countries)

6. Publication

- The requirement for the application
- The time period for issuance
- The expiration date (valid time)

TFA_Section 3_Advance Ruling

7. Review

- In written request
- Revoke, Modification, Invalidation

8. Open public

- Considering the confidential information
- Significant interest to other interested parties

9. Definition and Scope

- Shall : ① Tariff classification, ② Origin
- Encouraged : ③ Customs Value, etc.
- Applicant : exporter, importer, any person with a justifiable cause or a representative

[Part 2]

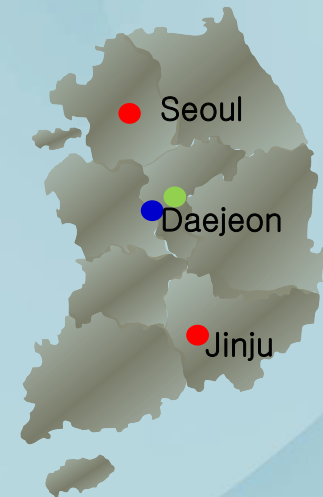
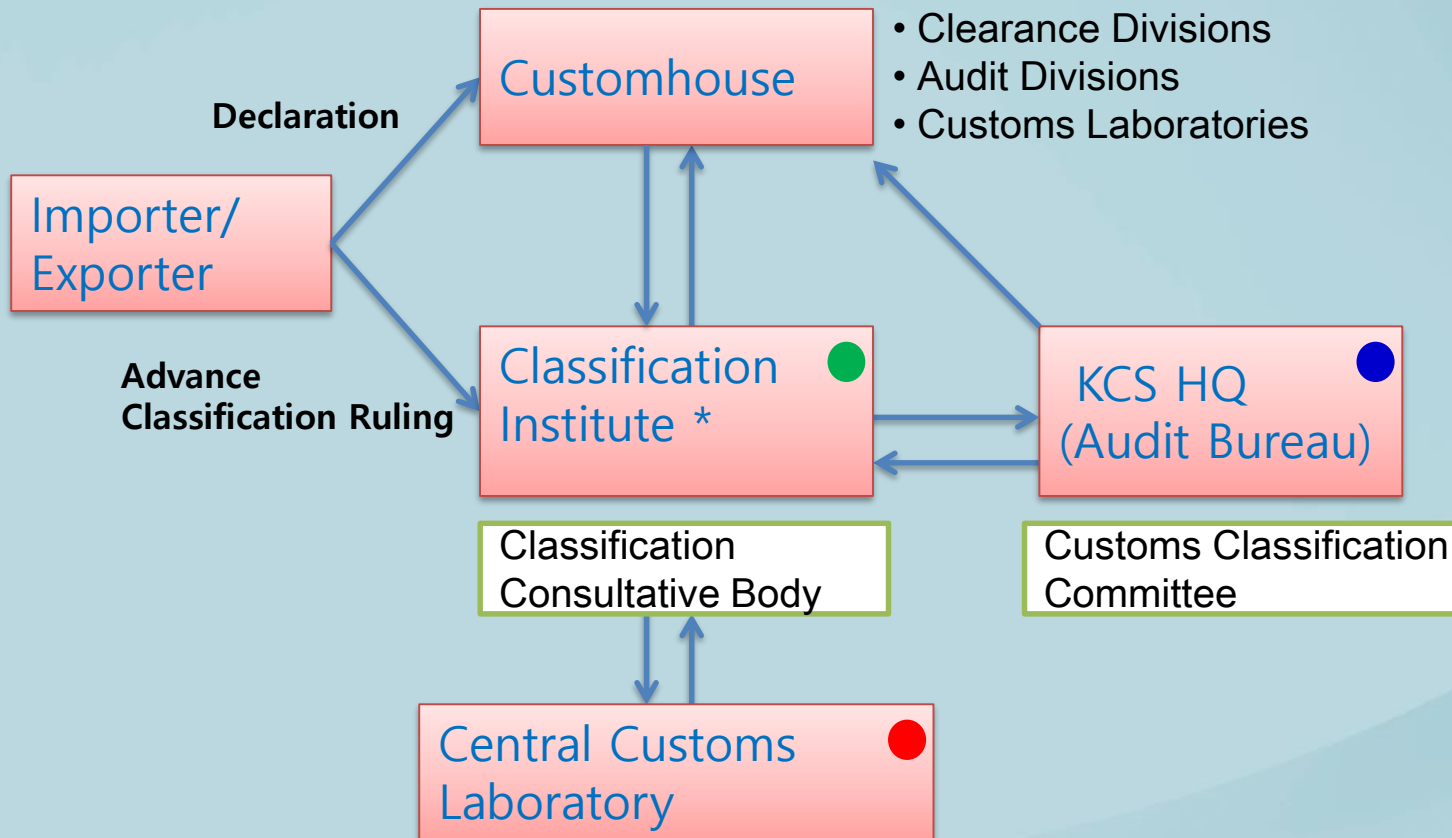
KCS Advance Ruling Experience

KCS Advance Ruling

- ❖ **The Good's tariff classification – 4 Sections**
- ❖ **The Customs Value – 1 Sections**
- ❖ **The Origin of the Good**

Year	2012	2013	2014	2015	2016
HS classification	6,191	7,002	7,394	7,591	8,511
Customs Valuation	60	72	168	135	145
Origin	8	0	4	2	9

Organization for HS Classification



Organization for HS Classification

❖ Main Roles of Audit Bureau of KCS

- Administrating the **classification system**, such as organization, manpower, procedure, policies, etc.
- Operating the **Customs Classification Committee**
- Drafting **amendments of Customs Nomenclatures** (supporting the MOSF)
- Establishing and maintaining **national classification criteria**
- Notifying amendments of HS Explanatory Notes and Compendium of Classification Opinions
- Cooperating with WCO and foreign Customs Administrations

Organization for HS Classification

❖ Main Roles of Classification Institute

- Issuing the **Advance Classification Rulings**
- Operating the **Classification Consultative Body**
- Providing **classification advice** to regional customhouses, traders and enterprises
- Conducting research on international and domestic classification issues
- Doing activities for international cooperation including WCO committees (HSC, RSC)
- Publishing classification information

Organization for HS Classification

❖ Main Roles of Central Customs Laboratory

- Doing **scientific analysis** of goods for customs clearance and Advance Classification Rulings
- Providing **classification opinions** for the analyzed goods
- Developing **analytical techniques** for customs purposes, such as, classification, origin determination, border control, etc
- Providing **scientific and technical support** for KCS HQ and regional customhouses
- Doing activities for international cooperation with WCO and foreign customs laboratories

Advance Classification Ruling

❖ Binding Pre-entry Classification Information

- Importers, exporters, customs brokers, or manufacturers may make a request in writing to the KCS for binding information on the HS classification of goods in respect of an actually envisaged import or export operation prior to import or export of goods.
- Legal Basis
 - Article 86 of the Customs Act of Korea
 - WCO Recommendation
 - Recommendation of the Customs Co-operation Council on the Introduction of Programmes for Binding Pre-entry Classification Information (18 June 1996)

Advance Classification Ruling

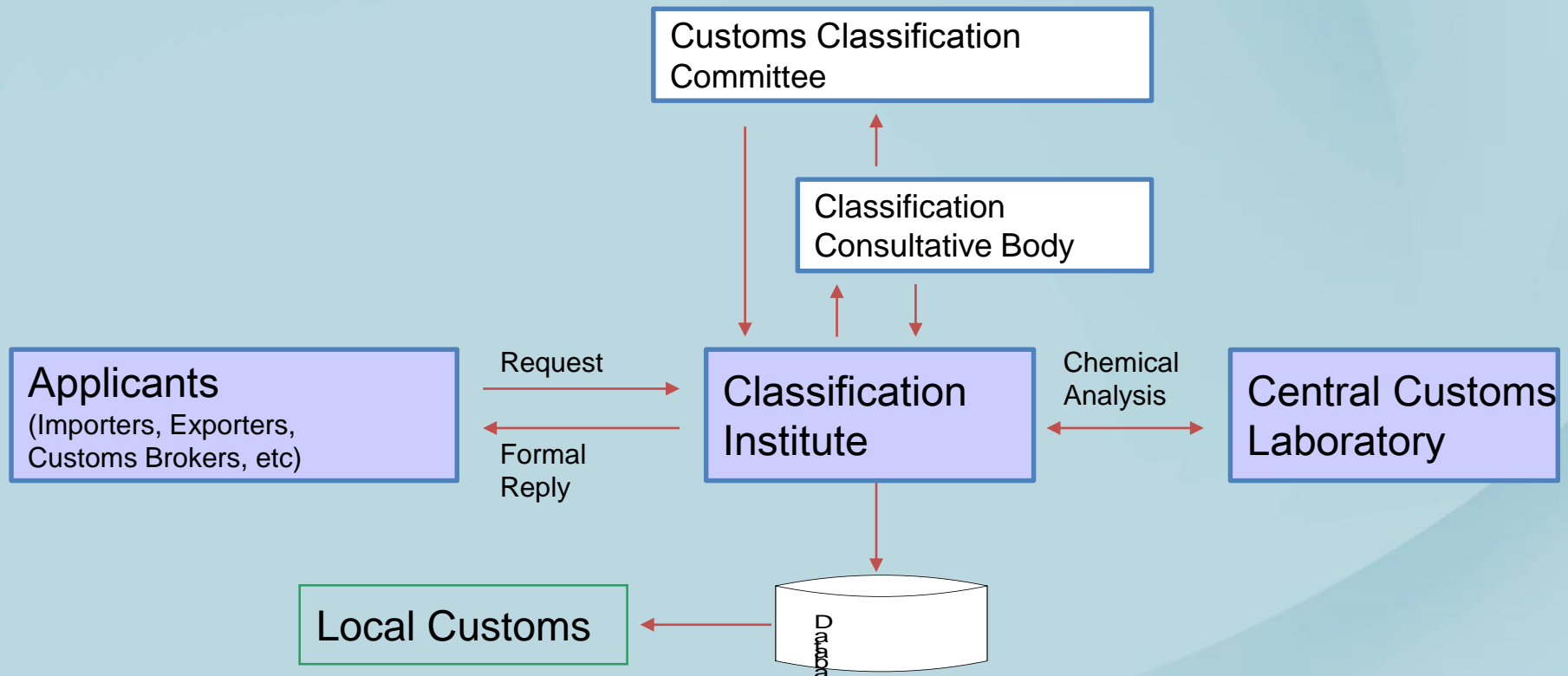
- Issuing Organization :
 - Customs Valuation and Classification Institute
(supported by the Central Customs Laboratory)

- Requirements for Application :
 - A full description of the goods as well as any necessary additional details to enable their identification
 - Samples to be classified
 - Application fee (30,000 KRW/item) for items which require laboratory analysis

Advance Classification Ruling

- Issue period : Within 30 working days (except period for analysis and supplement of additional information)
- Duration of binding force : One year from the date of issue
- Review : Just once in 30 days from the date notified
- Advantages
 - Ensuring fast decisions in advance
 - Ensuring proper and prompt clearance
 - Prior settlement of possible classification dispute
 - Maintaining transparency in classification to coordinate with other government agencies
 - Ensuring predictability in business

Advance Classification Ruling



International HS information System Ruling

<http://unipass.customs.go.kr/clip/index.do>



세계 HS 정보시스템



관세율표
품목분류사례
관련법령
HS국제분쟁
산업별가이드
커뮤니티

Map search 지도검색

관세율표
품목분류사례



System State 시스템현황

▶▶ 관세율표 => MORE

국가	대상년도	데이터출처
캐나다	2014	캐나다 관세청
일본	2014	일본 재무부관세국
대한민국	2014	한국 관세청
미국	2014	국제무역위원회
캐나다	2013	캐나다 관세청
스웨덴	2013	스웨덴 관세청
칠레	2013	칠레 관세청

▶▶ 품목분류사례 => MORE

국가	데이터건수	데이터출처
EU	343,417	유럽위원회 과세 및 세관동맹
미국	177,449	CBP rulings
대한민국	23,225	한국 관세청
일본	21,857	일본 재무부관세국
대만	12,752	대만 관세청

찾기쉬운 산업별 HS 가이드



자동차HS가이드



반도체

공지사항

- 2014년 캐나다 관세율표 업데이트
- 2014년 미국 관세율표 업데이트
- 산업별 가이드 통합검색 추가
- 세계HS정보시스템 검색 서비스 일시 중지 안내(...)
- 산업별가이드 반도체 정보 추가(EBOOK)
- 2014년도 일본 관세율표 업데이트



속견표



HS비교



관련법령



HS국제분쟁신고



시스템현황



품목분류사전심사



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▶ Today 217
▶ Total 549,726

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FTA포털
평가분류원