

by Subject

ENFORCEMENT DECREE OF THE FOREIGN TRADE ACT

Wholly Amended by Presidential Decree No. 20257, Sep. 10, 2007
 Amended by Presidential Decree No. 20678, Feb. 29, 2008
 Presidential Decree No. 20947, Jul. 29, 2008
 Presidential Decree No. 21087, Oct. 20, 2008
 Presidential Decree No. 21104, Nov. 5, 2008
 Presidential Decree No. 21806, Nov. 2, 2009
 Presidential Decree No. 22269, Jul. 12, 2010
 Presidential Decree No. 22419, Oct. 1, 2010
 Presidential Decree No. 23248, Oct. 25, 2011
 Presidential Decree No. 25118, Jan. 28, 2014
 Presidential Decree No. 25475, Jul. 16, 2014
 Presidential Decree No. 25751, Nov. 19, 2014
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 Presidential Decree No. 27548, Oct. 18, 2016
 Presidential Decree No. 28212, Jul. 26, 2017

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Decree is to provide for the matters delegated by the Foreign Trade Act and the necessary matters for the enforcement thereof.

Article 2 (Definitions)

The definitions of terms used in this Decree shall be as follows: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 27548, Oct. 18, 2016>

1. The term "domestic area" means the territory under the sovereignty of the Republic of Korea;
2. The term "foreign country" means an area, other than a domestic area;
3. The term "exportation" means any of the following transactions:
 - (a) Moving goods from the domestic area to a foreign country for sale, exchange, lease, loan, gifting, etc. (including sale of mineral resources gathered or marine products captured by Korean vessels in a foreign country to another foreign country);
 - (b) Selling goods produced (referring to manufacturing, processing, assembling, repairing, recycling, or altering; hereinafter the same shall apply) in the domestic area, to a foreigner in a bonded store referred to in Article 196 of the Customs Act;
 - (c) Delivering goods from a foreign country to another foreign country for consideration which shall meet requirements determined and publicly announced by the Minister of Trade, Industry and Energy;
 - (d) Providing services under Article 3 by a resident as defined in Article 3 (1) 14 of the Foreign Exchange Transactions Act (hereinafter referred to as "resident") to a nonresident under Article 3 (1) 15 of the said Act (hereinafter referred to as "nonresident") by means determined and publicly announced by the Minister of Trade, Industry and Energy;
 - (e) Delivering intangible goods in an electronic form under Article 4 by a resident to a

nonresident by means of electronic transmission via an information and communications network or any other means determined and publicly announced by the Minister of Trade, Industry and Energy;

4. The term "importation" means any of the following transactions:

- (a) Moving goods from a foreign country to the domestic area for sale, exchange, lease, loan, gifting, etc.;
 - (b) Delivering goods from a foreign country to another foreign country for consideration which shall meet requirements determined and publicly announced by the Minister of Trade, Industry and Energy;
 - (c) Providing services under Article 3 by a nonresident to a resident by means determined and publicly announced by the Minister of Trade, Industry and Energy;
 - (d) Delivering intangible goods in an electronic form under Article 4 by a nonresident to a resident by means of electronic transmission via an information and communications network, and any other means determined and publicly announced by the Minister of Trade, Industry and Energy;
5. The term "raw materials or equipment for foreign exchange earnings" means raw materials, equipment, products, services, or intangible goods in an electronic form for earning foreign exchange;
6. The term "raw materials for foreign exchange earnings" means raw or subsidiary materials, parts, and components required for producing goods, services under Article 3 or intangible goods under Article 4 in an electronic form (hereinafter referred to as "goods, etc.") supplied for foreign exchange earnings;
7. The term "equipment for foreign exchange earnings" means a facility, machinery, equipment, a part or a component (including parts and components necessary for repairing of defects or maintenance of goods, etc.) used for producing goods, etc. supplied for foreign exchange earnings;
8. The term "products for foreign exchange earnings" means goods, etc. supplied for foreign exchange earnings without necessarily undergoing a production process after being imported;
9. The term "services for foreign exchange earnings" means services defined in Article 3, which are necessary for production of goods, etc. supplied for foreign exchange earnings;
10. The term "intangible goods in an electronic form for foreign exchange earnings" means intangible goods in an electronic form defined in Article 4, which are necessary for producing goods, etc. supplied for foreign exchange earnings;
11. The term "results of exportation" means the sum of exports cleared through customs, the sum received, the sum of money earned, and the sum of the raw materials or equipment supplied to the domestic area for foreign exchange earnings, which meet the criteria determined and publicly announced by the Minister of Trade, Industry and Energy;
12. The term "results of importation" means the sum of imports cleared through customs and the sum paid, which meet the criteria determined and publicly announced by the Minister of Trade, Industry and Energy.

Article 3 (Scope of Services)

"Services prescribed by Presidential Decree" in subparagraph 1 (b) of Article 2 of the Foreign Trade Act (hereinafter referred to as the "Act") means any of the following services: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

1. Services provided by a person who engages in a type of business set forth in any of the following items:
 - (a) Business consulting services;
 - (b) Services related to legal affairs;
 - (c) Services related to accounting and tax affairs;
 - (d) Engineering services;
 - (e) Designing;
 - (f) Planning and consulting service for computer systems;
 - (g) Types of business falling within the cultural industry under subparagraph 1 of Article 2 of the Framework Act on the Promotion of Cultural Industries;
 - (h) Transportation business;
 - (i) Types of business falling under the tourism business under Article 3 (1) of the Tourism Promotion Act (hereinafter referred to as "tourism business");
 - (j) Other business with good potential for exportation, such as knowledge-based service, which is determined and publicly announced by the Minister of Trade, Industry and Energy;
2. Transferring a right to a patent, utility model, design, trademark, copyright, neighboring copy right, program copyright, or layout design of a semiconductor integrated circuit protected by domestic statutes and treaties to which the Republic of Korea is a party, instituting an exclusive license for the afore-said right, or granting a non-exclusive license therefor.

Article 4 (Intangible Goods in Electronic Form)

"Intangible goods in an electronic form prescribed by Presidential Decree" in subparagraph 1 (c) of Article 2 of the Act means any of the following: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

1. Software defined in subparagraph 1 of Article 2 of the Software Industry Promotion Act;
2. Data, information, or similar which is obtained by producing or processing codes, letters, voices, sounds, images, pictures, etc. in digital mode and which is determined and publicly announced by the Minister of Trade, Industry and Energy;
3. A combination of those items set forth in subparagraphs 1 and 2 or any other intangible goods in an electronic form similar thereto, which is determined and publicly announced by the Minister of Trade, Industry and Energy.

Article 4-2 (Procedures for Export Contracts between Governments)

"Procedure prescribed by Presidential Decree" in subparagraph 4 of Article 2 of the Act means the following procedures:

1. Confirmation of a foreign government's intention to purchase goods, etc., (excluding defense materials, etc. referred to in Article 38 (1) 4 of the Defense Acquisition Program Act; hereafter in this Article and Articles 54-5 and 54-6, the same shall apply) by an

- agency solely in charge of export contracting between governments (hereinafter referred to as "dedicated agency") prescribed in Article 32-3 (1) of the Act;
2. Assessment of domestic companies' capabilities to perform an export contract between governments, and recommendation of domestic companies: Provided, That such recommendation need not be made if the relevant foreign government designates a domestic company to export the goods, etc.;
 3. Conclusion of an agreement between the dedicated agency and the relevant domestic company on the performance of an export contract between governments;
 4. Conclusion of an export contract between the dedicated agency and the relevant foreign government (including where the former concludes a contract as a contracting party in consort with a domestic company).

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 5 (Measures for Promotion of Trade)

- (1) The Minister of Trade, Industry and Energy may either take the following measures to promote trade, or request the head of each relevant administrative agency to take necessary measures, pursuant to Article 4 of the Act: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
1. Creating an environment for strengthening the competitiveness of the export industry in the international market and facilitate investments in facilities;
 2. Improving quality for increasing the rate of foreign exchange earnings, and promote the use of raw materials or equipment domestically manufactured for foreign exchange earnings;
 3. Coordinating exportation and importation to promote cooperation in international commerce;
 4. Interconnecting exportation and importation to accomplish a balance of trade between regions;
 5. Providing support to the private sector for international commercial activities and industrial cooperation;
 6. Granting tax abatements or exemption on trade-related facilities;
 7. Creating an environment for efficiently establishing and operating the platforms for scientific processing of trade-related affairs;
 8. Facilitating the use of platforms for scientific processing of trade-related affairs by related institutions including the trade industry;
 9. Assisting domestic companies in advancing into overseas markets;
 10. Conducting surveys on the difficulties that domestic companies face in advancing into overseas markets and assist them in solving such difficulties;
 11. Other measures deemed necessary for continuously promoting exportation and importation.
- (2) Trade-related installations eligible for the support under Article 4 (2) 2 of the Act shall be those with the functions and sizes prescribed according to the following categorization and designated by the Minister of Trade, Industry and Energy: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
1. Trade exhibition centers: Required to have facilities for exhibition of trade samples, with

- a total indoor exhibition floor area of at least 2,000 square meters and a conference room with capacity of at least 50 persons;
2. Trade training institutes: Required to have facilities for fostering professional traders, with a total floor area of at least 2,000 square meters and maximum capacity of at least 500 persons;
 3. Convention centers: Required to have facilities for conventions, with a total floor area of at least 4,000 square meters and maximum capacity of at least 2,000 persons.
- (3) "Person who has established and run a platform for scientific processing of the business affairs relating to trade" in Article 4 (2) 3 of the Act means a business entity who has established and run a platform for scientific processing of trade-related affairs among the electronic trace infrastructure business entities as defined in Article 6 (1) of the Electronic Trade Facilitation Act.

Article 6 (Procedures for Investigation and Consultation for Special Measures)

- (1) When the Minister of Trade, Industry and Energy intends to take any measure relating to a restriction or ban (hereafter in this Article referred to as "special measure") on exportation or importation of goods, etc. from or to any trading partner country upon any grounds set forth in subparagraph 2, 3, 4-2, or 5 of Article 5 of the Act, he/she shall conduct a prior investigation into the relevant facts in advance. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>
- (2) Anyone who has any interest in a case that falls under subparagraph 2, 3, 4-2, or 5 of Article 5 of the Act may file a petition with the Minister of Trade, Industry and Energy to take special measures. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>
- (3) Upon receipt of a petition under paragraph (2), the Minister of Trade, Industry and Energy shall make a decision as to whether to conduct an investigation into the facts and notify the petitioner of his/her decision within 30 days from the date of petition. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (4) The Minister of Trade, Industry and Energy shall, if deemed necessary for an investigation under paragraph (1), consult in advance with the trading partner country involved. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (5) The Minister of Trade, Industry and Energy shall, when he/she commences an investigation under paragraph (1), issue public notice thereof without delay, and shall complete the investigation within one year from the date of its commencement. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (6) The Minister of Trade, Industry and Energy shall, when he/she intends to take special measures, consult in advance with the heads of relevant central administrative agencies. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (7) The Minister of Trade, Industry and Energy shall, when he/she intends to take any

special measure pursuant to Article 5 of the Act, issue public notice of the details of the special measure, and shall also issue notice to the petitioner, if the special measure is to be taken upon the petition under paragraph (2). The foregoing shall also apply to the lifting of such special measure. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

CHAPTER II PROMOTION OF INTERNATIONAL COMMERCE

Article 7 (Establishment of Implementation Plans for Promotion of International Commerce)

In establishing an implementation plan for the promotion of international commerce pursuant to Article 7 (1) of the Act, the Minister of Trade, Industry and Energy may request the following institutions and organizations to render cooperation: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

1. Relevant administrative agencies;
2. Local governments;
3. The Korea Trade-Investment Promotion Agency established under the Korea Trade-Investment Promotion Agency Act (hereinafter referred to as the "Korea Trade-Investment Promotion Agency");
4. The Korea International Trade Association established with the permission from the Minister of Trade, Industry and Energy in accordance with Article 32 of the Civil Act (hereinafter referred to as the "Korea International Trade Association");
5. Other institutions and organizations relating to trade and international commerce.

Article 8 (Other Details of Implementation Plans for Promotion of International Commerce)

"Other matters prescribed by Presidential Decree" in Article 7 (2) 7 of the Act means the following matters: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 24442, Mar. 23, 2013>

1. Implementation plans for promoting international commerce for each major region, economic bloc, or type of business;
2. Plans for trade activities of institutions and organizations involved in the promotion of trade and international commerce;
3. Other implementation plans deemed necessary by the Minister of Trade, Industry and Energy in connection with the promotion of trade and international commerce.

Article 9 (Research, etc. on International Commerce-Related Systems)

Where it is necessary to establish an implementation plan for promoting commerce pursuant to Article 7 (3) of the Act, the Minister of Trade, Industry and Energy may request an institution or organization set forth in each subparagraph of Article 7 (excluding subparagraph 2) to conduct research in a relevant field or a specific case or verify a fact. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>

[This Article Wholly Amended by Presidential Decree No. 21806, Nov. 2, 2009]

Article 10 (Cooperation, etc. with Local Governments)

- (1) In order to implement action plans for promoting international commerce for each region under Article 7 (6) of the Act in an effective manner, the Minister of Trade,

Industry and Energy may establish and operate a consultative body, in which the Special Metropolitan City, Metropolitan Cities, the Special Self-Governing City, DOs or the Special Self-Governing Province (hereinafter referred to as "Si/ Do") and other institutions or organizations relating to trade and international commerce take part. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

(2) Necessary matters concerning the organization, operation, etc. of the consultative body under paragraph (1) shall be prescribed by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 11 (Procedures for Supporting Cooperative Activities in Private Sector)

(1) Where an institution or organization relating to trade and international commerce desires to receive the support under Article 8 (1) of the Act, it shall submit an application to the Minister of Trade, Industry and Energy along with a project plan that contains the details of the project, outcomes of the project, etc. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(2) Upon receipt of a project plan under paragraph (1), the Minister of Trade, Industry and Energy may provide support, such as funds, human resources, or information, if he/she concludes after examining the plan that it is necessary for efficiently promoting cooperative activities in the areas of commerce, industry, technology, energy, etc. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(3) Necessary matters concerning the criteria, etc. for the support under paragraph (2) shall be prescribed by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(4) The Minister of Trade, Industry and Energy may, if considered necessary for the support under paragraph (2), request the heads of relevant administrative agencies to provide cooperation. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(5) A related organization to which support has been provided shall submit a report on the outcomes of the project performed to the Minister of Trade, Industry and Energy, within three months after completion of the project for which such support has been provided. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 12 (Organization, Operation, and Supervision of Center for Support of Overseas Expansion)

(1) A center for support of overseas expansion under Article 8 (4) of the Act (hereinafter referred to as "supporting center for overseas expansion") shall be comprised of executive officers and employees of the Korea Trade-Investment Promotion Agency and persons dispatched under paragraph (3).

(2) If it is necessary to support overseas expansion of local enterprises, the president of the Korea Trade-Investment Promotion Agency may request the head of a relevant administrative agency and the head of an institution or organization related to

overseas expansion (hereinafter referred to as "overseas expansion-related institution") to dispatch public officials belonging thereto or its executive officers and employees.

- (3)The head of a relevant administrative agency or the head of an overseas expansion-related institution who is requested to dispatch public officials, or executive officers and employees pursuant to paragraph (2), shall select persons competent to carry out relevant affairs and dispatch them to the supporting center for overseas expansion, and shall have prior consultation with the president of the Korea Trade-Investment Promotion Agency when he/she intends to cancel the dispatch service during the period of dispatch.
- (4)The president of the Korea Trade-Investment Promotion Agency shall direct and supervise the service of public officials, or executive officers and employees dispatched to the supporting center for overseas expansion pursuant to paragraph (3).
- (5)The president of the Korea Trade-Investment Promotion Agency shall prepare his/her comments on the performance evaluation of public officials dispatched under paragraph (3) in accordance with Article 17 (3) of the Regulations on Performance Evaluation, etc. of Public Officials or Article 31-3 (3) of the Decree on the Appointment of Local Public Officials, and serve them on the head of the relevant administrative agency who has dispatched such public officials. The head of the relevant administrative agency, in receipt of such comments, shall consider them in evaluating service performance.
- (6)The president of the Korea Trade-Investment Promotion Agency shall prepare the actual results of carrying out supporting affairs for overseas expansion in the preceding year and plans for carrying out the said affairs in the relevant year and report such results and plans to the Minister of Trade, Industry and Energy by January 31 of each year, and shall report quarterly performance records to the Minister of Trade, Industry and Energy within one month after each quarter ends. In such cases, the Minister of Trade, Industry and Energy shall notify the heads of relevant administrative agencies of the matters requiring cooperation from the heads of such agencies. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>
- (7)The Minister of Trade, Industry and Energy may subsidize expenses incurred in operating the supporting center for overseas expansion. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>
- (8)In addition to matters provided for in paragraphs (1) through (7), detailed matters concerning the organization, operation, etc. of the supporting center for overseas expansion shall be prescribed by the president of the Korea Trade-Investment Promotion Agency after consulting with the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>

[This Article Wholly Amended by Presidential Decree No. 21806, Nov. 2, 2009]

Article 12-2 (Criteria, etc. for Designation of Specialized Trading Companies)

- (1)A person eligible to be designated as a specialized trading company pursuant to Article 8-2 (1) of the Act, shall be either of the following:
- 1.A trader who satisfies both of the following requirements:
 - (a)Either the export performance of the preceding year or the average annual export performance of the three immediately preceding years, shall not be less than at least

one million US dollars, the amount determined and publicly announced by the Minister of Trade, Industry and Energy;

(b)The ratio of the export of goods, etc., produced by other small and medium enterprises (referring to small and medium enterprises prescribed in Article 2 of the Framework Act on Small and Medium Enterprises; hereafter the same shall apply in this Article and Article 12-3) or middle-standing enterprises (referring to middle-standing enterprises defined in subparagraph 1 of Article 2 of the Special Act on the Promotion of Growth and the Strengthening of Competitiveness of Middle-Standing Enterprises; hereafter the same shall apply in this Article and Article 12-3), to the export performance referred to in item (a) shall not be less than a ratio of at least 20/100, the ratio determined and publicly announced by the Minister of Trade, Industry and Energy;

2.A trader who satisfies the standards publicly announced by the Minister of Trade, Industry and Energy, taking into account the nature of each type of business, such as agriculture and fisheries, and the export characteristics of each form of corporate organization, such as associations, so as to explore new markets, identify new products, and effectively support exports by small and medium enterprises or middle -standing enterprises.

(2)Each person intending to be designated as a specialized trading company pursuant to Article 8-2 (1) of the Act shall submit an application for designation to the Minister of Trade, Industry and Energy, along with documents determined and publicly announced by the Minister of Trade, Industry and Energy.

(3)Where a person who has submitted an application for designation as a specialized trading company pursuant to paragraph (2) satisfies the requirements for the designation referred to in paragraph (1), the Minister of Trade, Industry and Energy shall designate such person as a specialized trading company and notify the relevant applicant of the results of the application.

(4)Except as provided in paragraphs (1) through (3), details necessary for the procedures, etc. for the designation of a specialized trading company shall be determined and publicly announced by the Minister of Trade, Industry and Energy.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 12-3 (Support for Specialized Trading Company)

(1)If deemed necessary for a specialized trading company to open new markets, identify new products, or expand exports of small and medium enterprises or middle-standing enterprises, the Minister of Trade, Industry and Energy may support the specialized trading company in matters necessary for publicity in Korea and abroad, identification of outstanding products, exploration of overseas markets, etc. pursuant to Article 8-2 (1) of the Act.

(2)If deemed necessary for support referred to in paragraph (1), the Minister of Trade, Industry and Energy may request related central administrative agencies, local governments, or institutions or organizations in charge of trade or commerce, to render cooperation.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 13 (Request for Submission of Data for Implementation of Treaty concerning Trade)

If the Minister of Trade, Industry and Energy intends to request the submission of data pursuant Article 9 (1) of the Act, he/she shall make such request in writing (including electronic documents), stating data to be submitted, submission deadline, and other matters. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>

[This Article Wholly Amended by Presidential Decree No. 21806, Nov. 2, 2009]

Articles 14 and 15 Deleted. <by Presidential Decree No. 21806, Nov. 2, 2009>

CHAPTER III EXPORTATION AND IMPORTATION

SECTION 1 General Provisions for Exportation and Importation

Article 16 (Restrictions on Exportation and Importation)

"Matters prescribed by Presidential Decree" referred to in Article 11 (1) 6 of the Act means matters concerning safety control of aviation-related items:

[This Article Wholly Amended by Presidential Decree No. 27382, Jul. 26, 2016]

Article 17 Deleted. <by Presidential Decree No. 27382, Jul. 26, 2016>

Article 18 (Procedures, etc. for Approval for Exportation or Importation)

(1) Any person who intends to apply for approval for exportation or importation of goods, etc. in accordance with the main sentence of Article 11 (2) of the Act or any person who intends to apply for the extension of the effective period of approval for exportation or importation in accordance with Article 11 (4) of the Act shall file an application with the Minister of Trade, Industry and Energy along with documents specified by the Minister of Trade, Industry and Energy. The foregoing shall also apply where any person intends to obtain approval for any revision thereof (limited to cases where approval has been granted under the main sentence of Article 11 (2) of the Act). <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

(2) In any of the following cases, the Minister of Trade, Industry and Energy may determine the effective period of approval for exportation or importation of relative goods, etc. as less than one year or a maximum of two years, pursuant to the proviso to Article 11 (3) of the Act: Provided, That where an effective period of permission under Article 42-2 (2) (limited to an effective period of export permission under Article 19 (2) of the Act) exceeds two years, the export permission may be effective for such period: <Amended by Presidential Decree No. 25118, Jan. 28, 2014>

1. Where an effective period of approval for exportation or importation needs to be reduced to less than one year for stabilizing price or adjusting supply and demand in Korea;
2. Where production or processing of goods, etc. takes more than one year after concluding an export or import contract;
3. Where it is impracticable to ship or deliver goods, etc. within one year after concluding an export or import contract;
4. Other than cases referred to in subparagraphs 1 through 3, where it is deemed necessary to adjust an effective period of approval for exportation or importation, either by reducing to less than one year or extending to more than one year, taking into consideration the delivery conditions, or nature of trading, of exported or imported goods, etc.

(3) "Important matters prescribed by Presidential Decree" in Article 11 (5) of the Act means the following matters: <Amended by Presidential Decree No. 25118, Jan. 28, 2014>

- 1.Quantity and price of the goods, etc.;
- 2.Deleted; <by Presidential Decree No. 25118, Jan. 28, 2014>
- 3.Matters concerning the parties involved in the exportation or importation.

Article 19 (Exemption from Approval for Exportation or Importation)

"Goods, etc. specified by Presidential Decree" in the proviso to Article 11 (2) of the Act means the following goods or similar: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.Goods, etc. determined and publicly announced by the Minister of Trade, Industry and Energy, which are carried in person or dispatched with a declaration filed with a customs office by diplomats or other persons specified by the Minister of Trade, Industry and Energy when they enter or leave the Republic of Korea;
- 2.Goods, etc. publicly announced by the Minister of Trade, Industry and Energy, subject to prior consultation with the heads of relevant administrative agencies, which fall under any of the following items:
 - (a)Goods, etc. inappropriate for exporting or importing through normal processing for exportation or importation because urgent processing is required;
 - (b)Goods, etc. exported or imported through a transaction incidental to main exports or imports for facilitating smooth trading transactions;
 - (c)Goods, etc. exported or imported incidentally in order to accomplish a main business objective;
 - (d)Goods, etc. re-exported or re-imported without consideration after having been imported or exported without consideration, or exported or imported for the purposes of importing or exporting without consideration, which shall be recognized as inevitable for accomplishing the intended business objective;
 - (e)Goods, etc. exported to or imported from a region determined and publicly announced by the Minister of Trade, Industry and Energy;
 - (f)Goods, etc. for public interests or for similar purposes of use, in which case additional exportation or importation controls are deemed unnecessary;
 - (g)Goods, etc. exported or imported for any purpose other than commercial transactions;
- 3.Goods, etc. imported without involving any foreign exchange transaction, which shall be determined and publicly announced by the Minister of Trade, Industry and Energy;
- 4.Raw materials, machinery, or equipment removed from the Republic of Korea by an immigrant under the Emigration Act for emigration to a foreign country, which shall be recognized by the Minister of Foreign Affairs or the head of an institution designated by the Minister of Foreign Affairs.

Article 20 (Recognition of Specific Types of Exportation and Importation)

(1)"Types of exportation or importation of certain goods, etc. specified by Presidential Decree" in Article 13 (1) of the Act means the types of exportation or importation, the whole or a part of which falls under any of the following, and which meets the criteria determined and publicly announced by the Minister of Trade, Industry and Energy (hereinafter referred to as "specific types of transactions"): <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.Transactions that are likely to circumvent a restriction on exportation or importation under Article 11 (1) of the Act;

2. Transactions that are likely to undermine protective measures for industries;
3. Transactions with a transfer or assignment of goods, etc. from a foreign country to another foreign country, for which verifying the status of settlement of the payment is deemed impracticable because the payment is made or received within the Republic of Korea;
4. Transactions by which goods, etc. are moved without accompanying the settlement of payment.

(2) The procedure for the recognition of specific types of transactions, the effective period of the recognition, and other necessary matters shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(3) In recognizing specific types of transactions, the Minister of Trade, Industry and Energy may request the heads of relevant administrative agencies to provide cooperation, if deemed necessary to identify a new type of transactions, etc. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 21 (Development and Operation of Computerized Management System)

(1) The Minister of Trade, Industry and Energy shall develop and operate the following computerized management systems pursuant to Article 15 (1) of the Act to ensure that transactions of exportation and importation are made in good order and in an efficient manner: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 24442, Mar. 23, 2013>

1. The computerized management system for building up a database for statistics on exportation and importation, including granting and managing identification numbers of traders (hereinafter referred to as "trader's identification number");
2. The computerized management system for preventing unfair international trade practices stipulated under Article 4 of the Act on the Investigation of Unfair International Trade Practices and Remedy against Injury to Industry;
3. The following computerized management systems for ensuring efficiency in transactions of exportation and importation:
 - (a) The computerized management systems for interconnecting computerized trade management systems between different business sectors in an organized manner;
 - (b) The computerized management systems related to trade designated by the heads of relevant administrative agencies after consultation with the Minister of Trade, Industry and Energy as the heads deem necessary to do so;
4. Other computerized management systems recognized as necessary by the Minister of Trade, Industry and Energy upon the request of traders.

(2) If it is deemed necessary for developing and operating a computerized management system pursuant to paragraph (1), the Minister of Trade, Industry and Energy may subsidize some expenses to the institutions that provide information necessary for the development or operation of the computerized management systems. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 22 (Collection and Analysis of Information on Exportation and Importation)

(1) If it is necessary for developing and operating computerized management systems under Article 21, the Minister of Trade, Industry and Energy may request the Commissioner of the Korea Customs Service to furnish him/her with the following information pursuant to Article 15 (2) of the Act: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

1. Information about traders, including trade names, personal names, etc. of traders who have filed a declaration under Article 241 of the Customs Act;
2. Information related to the date of acceptance of each declaration filed in accordance with Article 241 of the Customs Act, the product names, quantity, and price of exported or imported goods, the types of transactions, etc., as specified further by the Minister of Trade, Industry and Energy.

(2) The Minister of Trade, Industry and Energy shall comprehensively analyze and manage relevant information collected in accordance with paragraph (1), and Article 92 (2) of this Decree, and Article 48 (1) of the Act so as to develop or operate computerized management systems pursuant to Article 21. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 24442, Mar. 23, 2013>

(3) The timing and method for furnishing information pursuant to paragraphs (1) and (2), the form of information, and other matters necessary for the collection of information shall be prescribed by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 23 (Confirmation of Exportation or Importation of Services or Intangible Goods in Electronic Form)

(1) Where the exporter or importer with an intention to obtain support for exportation or importation files an application for confirmation of exportation or importation of any services under Article 3, or intangible goods in an electronic form under Article 4, the Minister of Trade, Industry and Energy may confirm the exportation or importation of such services or intangibles. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(2) Detailed procedures, etc. necessary for the confirmation of exportation or importation under paragraph (1) shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

SECTION 2 Importation, Purchase, etc. of Raw Materials or Equipment for Earning Foreign Exchanges

Article 24 (Approval for Importation of Raw Materials or Equipment for Foreign Exchange Earnings)

(1) Anyone who intends to import goods, etc. subject to approval for importation referred to in Article 11 (2) of the Act as materials or equipment for foreign exchange earnings in accordance with the main sentence of Article 16 (1) of the Act, shall obtain approval from the Minister of Trade, Industry and Energy in compliance with the guidelines determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 27382, Jul. 26, 2016>

(2)The Minister of Trade, Industry and Energy shall, when he/she intends to impose a restriction on the importation of raw materials or equipment for foreign exchange earnings for the purposes of promoting the use of domestically produced raw materials or equipment pursuant to the proviso to Article 16 (1) of the Act, determine and publicly announce the items subject to such a restriction and separate procedure necessary for importing such items. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 25 (Items and Quantity of Raw Materials or Equipment for Foreign Exchange Earnings)

- (1)The quantity of raw materials and equipment for foreign exchange earnings as referred to in Article 16 (2) of the Act means the standard requirements of raw materials or equipment for foreign exchange earnings, provided for producing one unit of goods, etc. for foreign exchange earnings.
- (2)The Minister of Trade, Industry and Energy may, when he/she determines the standard requirements of raw materials or equipment for foreign exchange earnings pursuant to paragraph (1), include the average quantity of loss that may be incurred in the manufacturing process, in addition to the actual quantity required for the production of the relevant goods, etc. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3)Necessary matters concerning the guidelines, methods, etc. for the preparation of the statement of requirements of raw materials or equipment for foreign exchange earnings for each item shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 26 (Scope of Foreign Exchange Earnings)

(1)The scope of foreign exchange earnings under Article 16 (4) of the Act shall extend to the foreign currency exchange earned by any of the following means: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.Exportation;
- 2.Sale of goods, etc. to the agencies of United Nations Forces in the Republic of Korea or any other foreign armed forces;
- 3.Tourism;
- 4.Overseas operations of services or construction works;
- 5.Domestic sale of goods, etc., which falls under the criteria determined and publicly announced by the Minister of Trade, Industry and Energy.

(2)Export brokerage by a trader on condition of receiving a commission from an importer in a foreign country shall be deemed as an act equivalent to the acts for foreign exchange earnings under paragraph (1).

Article 27 (Time Period for Fulfilling Obligation to Earn Foreign Exchange)

(1)The time period for fulfilling the obligation to earn foreign exchange under Article 16 (4) of the Act shall be determined and publicly announced by the Minister of Trade, Industry and Energy within the limit classified in the following: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 27382, Jul. 26, 2016>

1. Where an importer of raw materials or equipment for foreign exchange earnings him/herself shall fulfill the obligation to earn foreign exchange: Two years from the date of customs clearance or delivery;
 2. Where a transferee of raw materials or equipment for foreign exchange earnings or the goods, etc. produced with such raw materials or equipment, transferred by another person, shall fulfill the obligation to earn foreign exchange: One year from the date of transfer;
 3. Where it takes at least two years to produce or gather the goods, etc. for foreign exchange earnings: The time period equivalent to that taken for such production or gathering;
 4. Where raw materials or equipment for foreign exchange earnings is used for repair of defects, or maintenance, of machinery exported: Two years from the completion date of repair of defects or maintenance.
- (2) A person who assumes an obligation to earn foreign exchange shall, if it is found impossible for him/her to fulfill the obligation within the time limit under paragraph (1), file an application for extension of the time limit with the Minister of Trade, Industry and Energy along with the documents specified by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) Upon receipt of an application under paragraph (2), the Minister of Trade, Industry and Energy may extend the time limit for fulfilling the obligation to earn foreign exchange, if he/she concludes that the application is reasonable. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21104, Nov. 5, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 28 (Follow-up Management of Raw Materials or Equipment for Foreign Exchange Earnings)

- (1) In regard to the raw materials or equipment imported for earning foreign currency exchange with approval under Article 24 and the goods, etc. produced with such raw materials or equipment, the Minister of Trade, Industry and Energy shall carry out follow-up management as to whether the person obligated to earn foreign exchange fulfills his/her obligation. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (2) In regard to the raw materials or equipment for foreign exchange earnings imported under the approval for importation under Article 11 (2) of the Act by anyone meeting the requirements determined and publicly announced by the Minister of Trade, Industry and Energy, the Minister may allow the person with the approval for importation to carry out the follow-up management, notwithstanding paragraph (1). The foregoing shall also apply to a transferee of raw materials or equipment for foreign exchange earnings under Article 17 of the Act, who meets the requirements determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) The follow-up management under paragraphs (1) and (2) shall be done for each person who assumes the obligation to earn foreign exchange and for each item, based on the total quantity of imports for each quarter of the year, but necessary matters

concerning the method of follow-up management, etc. shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 29 (Exemption from Follow-up Management of Raw Materials or Equipment for Foreign Exchange Earnings)

Notwithstanding Article 28 (1), the Minister of Trade, Industry and Energy may omit follow-up management in cases falling under any of the following: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.If the non-performance rate of the person who assumes the obligation to earn foreign exchange for each item is ten percent or less;
- 2.If the quarterly non-performance rate of the person who assumes the obligation to earn foreign exchange is ten percent or less, and the amount not performed is equivalent to 20,000 U.S. dollars or less;
- 3.If the Minister of Trade, Industry and Energy acknowledges that the person who assumes the obligation to earn foreign exchange fails to fulfill his/her obligation due to any cause or event not attributable to him/her;
- 4.If the Minister of Trade, Industry and Energy acknowledges that it is no longer necessary to carry out follow-up management, such as fulfilling the obligation to earn foreign exchange, because the item in question has been excluded from list of goods subject to approval of import or on any other ground.

Article 30 (Approval for Change to Purposes of Use of Raw Materials or Equipment for Foreign Exchange Earnings, etc.)

(1)Anyone who desires to obtain approval for a change to the purpose of use of raw materials or equipment for foreign exchange earnings, or goods, etc. manufactured with such materials or equipment in accordance with the main sentence of Article 17 (1) of the Act shall submit to the Minister of Trade, Industry and Energy an application along with accompanying documents specified by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(2)"Any unavoidable reason or cause" in the main sentence of Article 17 (1) of the Act means any of the following cases: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.When it becomes impossible to fulfill the obligation to earn foreign exchange due to a war, an upheaval, a natural disaster, an institutional change in the Republic of Korea or any of its trading partner countries;
- 2.When the goods, etc. produced with raw materials or equipment for foreign exchange earnings require high technology in manufacturing, and thus there is a need to produce a trial sample prior to fulfilling the obligation to earn foreign exchange;
- 3.When it becomes impossible to fulfill the obligation to earn foreign exchange due to any cause or event not attributable to the person who assumes the obligation;
- 4.When the Minister of Trade, Industry and Energy acknowledges that it is impossible to fulfill the obligation to earn foreign exchange due to a cause or event beyond control.

(3)"Materials and equipment specified by Presidential Decree and the product and similar

manufactured with such materials and equipment" in the proviso to Article 17 (1) of the Act means any of the following goods, etc.:

- 1.Raw materials or equipment for foreign exchange earnings amounting to the average quantity of loss under Article 25 (2) or goods, etc. produced with such materials or equipment;
- 2.Raw materials or equipment for foreign exchange earnings under subparagraph 4 of Article 29.
- (4)Anyone who desires to obtain approval to transfer raw materials or equipment for foreign exchange earnings or the goods, etc. manufactured with such raw materials or equipment in accordance with Article 17 (2) of the Act shall file an application with the Minister of Trade, Industry and Energy along with the accompanying documents specified by the Minister. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (5)"Materials and equipment specified by Presidential Decree" in the proviso to Article 17 (2) of the Act means raw materials or equipment for foreign exchange earnings, which falls under any subparagraph of Article 29.

Article 31 (Application for and Issuance, etc. of Purchase Certificate)

- (1)Anyone who wishes to have a purchase certificate issued pursuant to Article 18 (1) of the Act shall file an application for confirmation of purchasing with the Minister of Trade, Industry and Energy along with the following documents attached thereto: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
 - 1.A document concerning the purchaser and supplier involved;
 - 2.A document concerning the price, quantity, etc. of the raw materials or equipment for foreign exchange earnings;
 - 3.A document certifying that the raw materials or equipment is for earning foreign exchange under Article 16 (1) of the Act, which is determined and publicly announced by the Minister of Trade, Industry and Energy.
- (2)Upon receipt of an application under paragraph (1), the Minister of Trade, Industry and Energy shall examine and make a decision on whether the raw materials and equipment that the applicant intends to purchase fall within the scope of foreign exchange earnings under Article 26 to issue a purchase certificate. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3)Further detailed matters necessary for the issuance, etc. of the purchase certificate shall be determined and publicly announced by the Minister of Trade, Industry and Energy, in addition to paragraphs (1) and (2). <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

SECTION 3 Exportation or Importation of Strategic Items

Article 32 (International Export Control Systems)

"International export control system prescribed by Presidential Decree" in Article 19 (1) of the Act means the following systems: <Amended by Presidential Decree No. 25118, Jan. 28, 2014; Presidential Decree No. 27382, Jul. 26, 2016>

- 1.The Wassenaar Arrangement (WA);

- 2.The Nuclear Supplier Group (NSG);
- 3.The Missile Technology Control Regime (MTCR);
- 4.The Australia Group (AG);
- 5.The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (CWC);
- 6.The Biological Weapons Convention (BWC);
- 7.The Arms Trade Treaty (ATT).

<<Enforcement Date: Undesignated>> Subparagraph 7 of Article 32

Article 32-2 (Technology Requiring Restrictions on Export Permission, etc)

"Technology determined by Presidential Decree" in Article 19 (1) of the Act means technology used in the manufacturing, development, use, etc. of goods determined by the international export control system, which is publicly announced by the Minister of Trade, Industry and Energy in consultation with the head of a relevant administrative agency: Provided, That any of the following technologies shall be excluded: <Amended by Presidential Decree 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

- 1.Technology made public;
- 2.Technology regarding basic science and technology;
- 3.Minimum-level technology required for patent application;
- 4.Minimum-level technology required for installation, operation, examination, maintenance, and repair of goods, etc. for which export permission has been granted under Article 19 (2) of the Act.

[This Article Newly Inserted by Presidential Decree No. 21806, Nov. 2, 2009]

Article 32-3 (Technology Transfer)

"Cases prescribed by Presidential Decree" referred to in the main sentence of Article 19 (2) of the Act means cases in which technology publicly announced under the main sentence of Article 32-2 are transferred by any of the following methods:

- 1.Transfer through an information network, such as telephone, fax, and e-mail;
- 2.Transfer through discourse or act, such as direction, education, training, and presentation;
- 3.Transfer through recording devices, such as paper, film, magnetic disc, optical disc, and semiconductor memory apparatus, or through a computer and other information processing devices.

[This Article Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014]

Article 33 (Application, etc. for Export Permission or Situational Permission for Strategic Items)

- (1)Anyone who intends to export (including transfer of technology referred to in Article 19 (1) of the Act falling under any subparagraph of Article 19 (2) of the Act by any means provided for in any subparagraph of Article 32-3; hereafter the same shall apply in this Article, Articles 34 through 36, 41-2, 42, 42-2, and 43 through 47) strategic items, or any goods, etc. that are not strategic items but highly like to be diverted to some other purpose, such as manufacturing, development, use, or storage of weapons of mass destruction and missiles capable of delivering them (hereinafter referred to as "weapons of mass destruction, etc."), under Articles 19 (2) and (3) of the Act, shall file an application for export permission for strategic items or situational permission with

the Minister of Trade, Industry and Energy or the head of the relevant administrative agency along with the following documents: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

1. An export contract, a provisional export contract, or any document equivalent thereto;
2. A certificate of import purpose issued by the government of the importing country or any document equivalent thereto;
3. A document indicating the purpose of use and performance of the goods, etc. to be exported;
4. A document concerning the technical features of the goods, etc. to be exported;
- 4- A written oath made by an end user concerning the purpose of use of exported goods, etc. and other matters;
5. Other documents necessary for export permission or situational permission, determined and publicly announced by the Minister of Trade, Industry and Energy.

(2) Upon receipt of an application for export permission or situational permission under paragraph (1), the Minister of Trade, Industry and Energy or the head of the relevant administrative agency shall make a decision on whether to grant the export permission or situational permission within 15 days, and shall notify the applicant of the results thereof: Provided, That the period required for consultation or field inspection shall not be included in calculation of the period set forth in the main sentence above, if a separate examination on technology, consultation with relevant domestic or international agencies, or field inspection is required for the goods, etc. for which the export permission or situational permission is applied. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 27382, Jul. 26, 2016>

Article 34 (Guidelines for Export Permission and Situational Permission)

"Guidelines prescribed by Presidential Decree" in Article 19 (4) of the Act means the following: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014; Presidential Decree No. 27382, Jul. 26, 2016>

1. The relevant goods, etc. shall be used for a peaceful purpose;
2. Exportation of the relevant goods, etc. shall not affect international peace, safety maintenance, and national security;
3. The importer, end user, etc. of the relevant goods, etc. shall be properly qualified for the relevant transactions, and trust the purpose of use of such goods, etc.;
4. Other terms and conditions determined and publicly notified by the Minister of Trade, Industry and Energy in connection with the principles of international export control systems referred to in each subparagraph of Article 32, shall be complied with.

Article 35 (Strategic Items Exempt from Export Permission or Situational Permission)

If any of the following cases occurs, exporters shall be exempted from export permission or situational permission of strategic items pursuant to Article 19 (5) of the Act, but shall submit a report on export transactions to the Minister of Trade, Industry and Energy or the head of a relevant administrative agency within seven days after the exportation of such items: <Amended by Presidential Decree No. 24442, Mar. 23, 2013>

1. Where an exporter exports public commodities to be used for overseas diplomatic or consular missions, armed forces of the Republic of Korea dispatched overseas, diplomatic envoys, etc.;
2. Where an exporter exports machinery, instruments, components, etc. used for emergency repair to ensure safe navigation of ships or aircraft;
3. Other cases publicly announced by the Minister of Trade, Industry and Energy in consultation with the head of a relevant administrative agency as deemed necessary to exempt exporters from export permission or situational permission.

[This Article Wholly Amended by Presidential Decree No. 21806, Nov. 2, 2009]

Article 36 (Application, etc. for Determination of Strategic Items)

(1) Anyone who intends to have certain goods, etc. examined to determine whether they are strategic items or goods, etc. subject to situational permission under Article 19 (3) 13 of the Act in accordance with Article 20 (2) of the Act, shall file an application for determination with the Minister of Trade, Industry and Energy or the head of a relevant administrative agency along with the following documents: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

1. A document indicating the purpose of use and performance of the goods, etc.;
2. A document concerning technical features of the goods, etc.;
3. Other documents necessary for determination of strategic items or goods, etc. subject to situational permission under Article 19 (3) 13 of the Act, which are determined and publicly announced by the Minister of Trade, Industry and Energy.

(2) Upon receipt of an application under paragraph (1), the Minister of Trade, Industry and Energy or the head of the relevant administrative agency shall determine whether the goods, etc. for which the application has been filed fall within the scope of strategic items or goods, etc. subject to situational permission under Article 19 (3) 13 of the Act within 15 days, and shall notify the applicant of the results thereof: Provided, That the period necessary for the examination on technology or consultation shall not be included in the period set forth in the main sentence above, where a separate examination on technology or consultation with another relevant administrative agency is required in connection with the goods, etc. for which the application for determination has been filed. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

(3) The determination made under paragraph (2) shall be effective for two years.
<Amended by Presidential Decree No. 25118, Jan. 28, 2014>

(4) The Minister of Trade, Industry and Energy may, if necessary for efficiently carrying out the affairs relating to the export control of strategic items, announce the objective descriptions determined and publicly announced by the Minister of Trade, Industry and Energy that enable identification of certain goods, etc., which have been determined as strategic items under paragraph (2), including the name, specification, control number, etc. of the goods, etc. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 37 (Specialized Institution Related to Determination of Strategic Items)

"Relevant specialized institution determined by Presidential Decree" in the latter part of Article 20 (2) of the Act means the Korea Institute of Nuclear Nonproliferation and Control under Article 6 of the Nuclear Safety Act. <Amended by Act No. 23248, Oct. 25, 2011> [This Article Wholly Amended by Presidential Decree No. 21806, Nov. 2, 2009] Articles 38 and 39 Deleted. <by Presidential Decree No. 21806, Nov. 2, 2009> Article 40 (Issuance, etc. of Certificate of Purpose of Importation of Strategic Items)

- (1) Anyone who wishes to obtain a certificate of purpose of importation of a strategic item pursuant to Article 22 of the Act shall submit to the Minister of Trade, Industry and Energy or the head of the relevant administrative agency an application for issuing a certificate of purpose of importation of the strategic item, along with the documents determined and publicly announced by the Minister of Trade, Industry and Energy or the head of the relevant administrative agency as required for verifying the purpose of importation of the strategic item, including documents certifying the end user and the purpose of using such strategic item. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (2) Upon receipt of an application under paragraph (1), the Minister of Trade, Industry and Energy or the head of the relevant administrative agency shall issue a certificate of purpose of importation of the strategic item within seven days: Provided, That the period required for an examination on technology or consultation shall not be included in the period set forth in the main sentence above, if a separate examination on technology or consultation with another relevant administrative agency is required in connection with the goods, etc. for which the application for certifying the purpose of importation has been filed. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) A certificate of purpose of importation of strategic items issued under paragraph (2) shall be effective for one year. <Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014>

Article 40-2 (Application, etc. for Permission for Transit or Transshipment of Strategic Items, etc.)

- (1) "Any person prescribed by Presidential Decree" in Article 23 (3) of the Act means any of the following persons: <Amended by Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>
 1. Any person who intends to transit or transship strategic items or goods, etc. subject to situational permission (hereinafter referred to as "strategic items, etc."), the use of which is converted or deemed likely to be converted to manufacture, development, use, storage, etc. of weapons of mass destruction, etc.;
 2. A person who is notified from the Minister of Trade, Industry and Energy or the head of a relevant administrative agency to obtain permission for transit or transshipment pursuant to Article 23 (3) of the Act.
- (2) Any person who intends to obtain permission for transit or transshipment pursuant to Article 23 (3) of the Act shall submit an application for permission for transit or transshipment publicly notified by the Minister of Trade, Industry and Energy, to the Minister of Trade, Industry and Energy or to the head of a relevant administrative agency, along with the following documents: <Amended by Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 27382, Jul. 26, 2016>

1. A transaction contract, or a document corresponding thereto;
 2. A document on the exporter, importer, end user, etc. related to the transit or transshipment;
 3. Any other documents determined and publicly notified by the Minister of Trade, Industry and Energy, which are required to permit the transit or transshipment of strategic items, etc.
- (3) Upon receipt of an application for permission for transit or transshipment under paragraph (2), the Minister of Trade, Industry and Energy or the head of the relevant administrative agency shall make a decision on whether to permit the transit or transshipment within 15 days and then notify the applicant of the results thereof: Provided, That where a separate examination on technology, consultation with relevant domestic or international agencies, or field inspection is required for the strategic items, etc., for which permission for transit or transshipment has been applied, the period required for such activities shall not be included in the period set forth in the main sentence above. <Newly Inserted by Presidential Decree No. 27382, Jul. 26, 2016>

[This Article Wholly Amended by Presidential Decree No. 22419, Oct. 1, 2010]

Article 40-3 (Guidelines for Permission for Transit or Transshipment of Strategic Items, etc.)

"Guidelines prescribed by Presidential Decree, such as international peace, safety maintenance, and national security" referred to in Article 23 (4) of the Act means the following:

1. The relevant strategic items, etc. shall be used for a peaceful purpose;
2. The transit or transshipment of the relevant strategic items, etc. shall not affect international peace, safety maintenance, and national security;
3. The exporter, importer, end user, etc. of the relevant strategic items, etc. shall be properly qualified for the relevant transactions, and trust the purpose of use of such strategic items, etc.;
4. Other terms and conditions determined and publicly notified by the Minister of Trade, Industry and Energy in connection with the principles of international export control systems referred to in each subparagraph of Article 32, shall be complied with.

[This Article Newly Inserted by Presidential Decree No. 27382, Jul. 26, 2016]

Article 41 (Application, etc. for Brokerage Permission for Strategic Items, etc.)

(1) Anyone who intends to engage in brokering any transaction involving strategic items, etc. in accordance with Article 24 (1) of the Act shall submit an application for brokerage permission for strategic items, etc. to the Minister of Trade, Industry and Energy or the head of the relevant administrative agency along with the following documents: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

1. A contract, a provisional contract, or any document similar thereto;
2. A document concerning the exporter, importer, broker, etc. involved in the brokerage;
3. A document indicating the purpose of use and performance of the strategic items, etc. subject to the brokerage;
4. A document concerning the technical features of the strategic items, etc. subject to the brokerage;

- 4- A written oath made by an end user concerning the purpose of the strategic items, etc.
2. subject to the brokerage and other matters;
5. Other documents determined and publicly announced by the Minister of Trade, Industry and Energy as required for the brokerage permission for the strategic items, etc.

(2) Upon receipt of an application for brokerage permission under paragraph (1), the Minister of Trade, Industry and Energy or the head of the relevant administrative agency shall decide whether to grant the brokerage permission, and shall notify the applicant of the results thereof within 15 days: Provided, That the period required for a separate examination on technology, consultation with relevant domestic or international agencies, or field inspection, if necessary, shall not be included in the period set forth in the main sentence above. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 27382, Jul. 26, 2016>

Article 41-2 (Exemption from Brokerage Permission for Strategic Items, etc.)

"Cases determined by Presidential Decree, including cases for which export permission has been obtained in accordance with the principles of the international export control system" in the proviso to Article 24 (1) of the Act means any of the following cases:

<Amended by Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

1. Where export permission is obtained from an exporting country in accordance with the principles of the international export control system pursuant to Article 19 (1) of the Act;
2. Where strategic items, etc. are imported or exported through brokerage in an area publicly announced by the Minister of Trade, Industry and Energy.

[This Article Newly Inserted by Presidential Decree No. 21806, Nov. 2, 2009]

Article 42 (Guidelines for Brokerage Permission)

"Guidelines prescribed by Presidential Decree" in Article 24 (2) of the Act means the following guidelines: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014; Presidential Decree No. 27382, Jul. 26, 2016>

1. The relevant goods, etc. shall be used for a peaceful purpose;
2. Brokerage of the relevant goods, etc. shall not affect international peace, safety maintenance, and national security;
3. The exporter, importer, end user, etc. of the relevant goods, etc. shall be suitably qualified for the relevant transactions, and trust the purpose of use of such goods, etc.;
4. Other terms and conditions determined and publicly notified by the Minister of Trade, Industry and Energy in connection with the principles of international export control systems referred to in each subparagraph of Article 32, shall be complied with.

Article 42-2 (Effective Period of Export Permission, etc.)

(1) Any of the following permission shall be effective for one year:

1. Export permission under Article 19 (2) of the Act;
2. Situational permission under Article 19 (3) of the Act;
3. Permission for transit or transshipment under Article 23 (3) of the Act;
4. Brokerage permission under Article 24 of the Act.

(2) In any of the following cases, the Minister of Trade, Industry and Energy or the head of a relevant administrative agency may set an effective period differently from those for permission referred to in each of subparagraphs of paragraph (1):

1. Where an exporter intends to export technology referred to in Article 19 (1) of the Act from among strategic items under Article 19 (2) of the Act;
2. Where export permission under Article 19 (2) of the Act is granted to a self-compliance trader under Article 25 (2) of the Act (including a person who delegates all or part of technology transfer under Article 19 (2) of the Act and Article 32-3 of this Decree and a person who conducts himself/herself technology transfer; hereafter the same shall apply in Articles 43 through 46 and 75);
3. Other than subparagraphs 1 and 2, where the Minister of Trade, Industry and Energy or the head of a relevant administrative agency deems it necessary, taking into consideration the delivery conditions of strategic items, etc., the period or conditions of payment, the nature of trading related to transit or transshipment, brokerage, etc., and other relevant matters.

(3) Further details concerning setting of the effective period of the permission under paragraph (2) may be publicly announced by the Minister of Trade, Industry and Energy in consultation with the head of a relevant administrative agency.

[This Article Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014]

Article 43 (Designation, etc. of Self-Compliance Traders)

(1) "Colleges and research institutes prescribed by Presidential Decree" referred to in Article 25 (1) of the Act means any of the following colleges and research institutes:

<Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014; Presidential Decree No. 27506, Sep. 22, 2016>

1. Universities and colleges, industrial colleges, junior colleges, and technical colleges under Article 2 of the Higher Education Act;
2. Government-funded science and technology research institutes established under the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes, Etc.;
3. Research institutes annexed to companies recognized under Article 14-2 (1) of the Basic Research Promotion and Technology Development Support Act;
4. Industrial technology research cooperatives under the Act on the Industrial Technology Research Cooperatives Support Act;
5. National or public research institutes;
6. Specific research institutes under Article 2 of the Specific Research Institutes Support Act;
7. Specialized manufacturing technology research institutes under Article 42 of the Industrial Technology Innovation Promotion Act.

(2) "Abilities prescribed by Presidential Decree" in Article 25 (1) of the Act means the following abilities:

1. Ability to discern whether the item in question falls within strategic items;
2. Ability to analyse the identification of importers and end users;
3. Ability to establish and operate a self-controlling organization.

(3) Anyone who wishes to obtain designation as a self-compliance trader under Article 25

(1) of the Act shall file an application for designation as a self-compliance trader with the Minister of Trade, Industry and Energy along with the following documents attached thereto: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

1. A document certifying the fact that the person possesses the abilities under subparagraphs of paragraph (2);
 2. Working rules and an organizational chart for the self-controlling works for the export control;
 3. Other documents determined and publicly announced by the Minister of Trade, Industry and Energy as required for designation as a self-compliance trader.
- (4) Where the Minister of Trade, Industry and Energy designates a trader as a self-compliance trader under Article 25 (1) of the Act, he/she may grade them depending on the extent of the abilities which they possess as referred to in paragraph (2). <Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014>
- (5) Upon receipt of an application for designation as a self-compliance trader, the Minister of Trade, Industry and Energy shall notify the applicant of his/her decision on whether to designate and the grade into which the applicant is classified (limited to cases where the applicant is designated as a self-compliance trader) within 40 days from the date of receipt of the application. <Amended by Presidential Decree No. 25118, Jan. 28, 2014>
- (6) Further details concerning the examination of the abilities for designation of a self-compliance trader under paragraph (2), the determination of a grade, etc. shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014>

Article 44 (Scope of Self-Controlling Works by Self-Compliance Traders)

- (1) Pursuant to Article 25 (2) of the Act, the Minister of Trade, Industry and Energy may allow a self-compliance trader to manage the following export control works by him/herself in connection with export permission for strategic items under Article 19 of the Act: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>
1. Management of end users of goods, etc. for which export permission has been granted under Article 19 (2) of the Act;
 - 1- Management of the purpose of end uses of goods, etc. for which export permission
 2. has been granted under Article 19 (2) of the Act;
 2. Other works determined and publicly announced by the Minister of Trade, Industry and Energy in order to manage the export permission system for strategic items efficiently.
- (2) The Minister of Trade, Industry and Energy may prescribe the details of self-management of export control works, differently from those under paragraph (1) depending on grades under Article 43 (4). <Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014>

Article 45 (Reporting by Self-Compliance Traders)

Each self-compliance trader shall submit to the Minister of Trade, Industry and Energy a report on the current status or performance for the following matters within the relevant period in accordance with Article 25 (3) of the Act: <Amended by Presidential Decree No.

20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

1. Half-yearly results of export permission for strategic items under Article 19 of the Act:
Within one month of the following half-year term;

2. Annual status concerning the matters set forth in subparagraphs of Article 43 (2):
Within one month of the following year.

Article 46 (Affairs of Korea Strategic Trade Institute)

"Other affairs prescribed by Presidential Decree" in Article 29 (5) 4 of the Act means the following affairs: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 24442, Mar. 23, 2013>

1. Conducting surveys and research on the control of exportation and importation of strategic items, and supporting public relations activities;

2. Supporting international cooperative activities related to the exportation and importation control of strategic items;

2- Supporting designation and management of self-compliance traders of strategic items pursuant to Article 25 of the Act;

3. Affairs entrusted by the Minister of Trade, Industry and Energy in connection with the determination and notification of strategic items.

Article 47 (Organization, Operation, etc. of the Council for Control of Exportation and Importation of Strategic Items)

(1) The Council for the Control of Exportation and Importation of Strategic Items under Article 30 (1) of the Act (hereinafter referred to as the "Council") shall be chaired by the head of the competent administrative agency depending on the items on the agenda as follows, and the Chairperson of the Council shall determine the scope of attending administrative agencies for assigned affairs to convene a meeting of the Council:

<Amended by Presidential Decree No. 21104, Nov. 5, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014; Presidential Decree No. 27382, Jul. 26, 2016; Presidential Decree No. 28212, Jul. 26, 2017>

1. The Ministry of Science and Information and Communications Technology (ICT) : Affairs concerning the control of exportation and importation of technology related to strategic items, etc. from among science and technology and information and communications technology;

2. The Ministry of Foreign Affairs: Affairs that affect diplomatic relations and affairs concerning the international rules related to the control of exportation and importation of strategic items, etc.;

3. The Ministry of Unification: Affairs concerning strategic items, etc. from among the items subject to approval for bringing in or taking out under the Inter-Korean Exchange and Cooperation Act and affairs that affect the exchange and cooperation between South and North Korea;

4. The Ministry of National Defense: Affairs concerning the control of exportation and importation of defense industry supplies and defence science and technology under the Defense Acquisition Program Act and affairs that affect national security;

5. The Ministry of Trade, Industry and Energy: Affairs that affect the control of exportation

- and importation of strategic items, etc. under Article 19 (2) of the Act (excluding items used exclusively for nuclear power) and trade negotiations;
6. The Nuclear Safety and Security Commission: Affairs concerning the control of exportation and importation of items used exclusively for nuclear power from among strategic items, etc. under Article 19 (2) of the Act;
 7. The Korea Customs Service: Affairs concerning customs clearance of strategic items, etc., and illegal exportation and importation of strategic items, etc. discovered during the customs clearance process;
 8. An intelligence investigative agency (referring to the intelligence investigative agency specified in Article 30 (3) of the Act): Affairs concerning domestic and international cooperation on information related to strategic items, etc.; exportation and importation of strategic items, etc. affecting national security; and illegal exportation and importation thereof.
- (2) The members of the Council shall be the public officials in the Senior Civil Service of the administrative agencies called to a meeting pursuant to paragraph (1), who are responsible for affairs related to the control of exportation and importation of strategic items.
 - (3) The Council may establish a working council if necessary to efficiently manage the Council.
 - (4) Necessary matters concerning the management of the Council and the working council shall be prescribed by agreement between the heads of the relevant administrative agencies as set forth in paragraph (1).
 - (5) "Intelligence investigative agency specified by Presidential Decree" in Article 30 (3) of the Act means the following agencies: <Amended by Presidential Decree No. 25118, Jan. 28, 2014; Presidential Decree No. 25751, Nov. 19, 2014; Presidential Decree No. 28212, Jul. 26, 2017>
 1. The National Intelligence Service;
 2. The Public Prosecutors' Office;
 3. The National Police Agency;
 4. The Korea Coast Guard;
 5. The Defense Security Command.
- Article 48 (Training for Breachers, etc. of Obligation to Permission)
- (1) Training hours pursuant to Article 49 of the Act (hereinafter referred to as "training") shall be eight or fewer hours.
 - (2) The Minister of Trade, Industry and Energy or the head of a relevant administrative agency may require the Korea Strategic Trade Institute under Article 29 of the Act, the Korea Institute of Nuclear Nonproliferation and Control under Article 37, and any other institute determined and publicly announced by the Minister of Trade, Industry and Energy to conduct training. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>
 - (3) In addition to matters provided for in paragraphs (1) and (2), necessary matters concerning training shall be prescribed by the Minister of Trade, Industry and Energy after consulting with the head of a relevant administrative agency. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>

[This Article Wholly Amended by Presidential Decree No. 21806, Nov. 2, 2009]

Article 49 (Organization and Operation of Technical Advisory Team for Strategic Items)

(1)The Minister of Trade, Industry and Energy may organize and operate the technical advisory team for strategic items, which shall be responsible for advising on the following matters: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

- 1.Likelihood to use certain goods, etc. for the purposes of manufacturing, developing, using, storing, etc. weapons of mass destruction;
- 2.Assessment and analysis of goods, etc. subject to the control of international export control systems;
- 3.Determination as to whether certain goods, etc. are strategic items.

(2)Necessary matters concerning the organization, operation, etc. of the technical advisory team for strategic items shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

SECTION 4 Exportation of Plants

Article 50 (Application, etc. for Approval for Exportation)

Anyone who intends to obtain approval for exportation of plants pursuant to Article 32 (1) of the Act shall file an application with the Minister of Trade, Industry and Energy along with accompanying documents specified by the Minister of Trade, Industry and Energy. The foregoing shall also apply to approval for any revision thereof. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

Article 51 (Facilities)

"Facilities prescribed by Presidential Decree" in Article 32 (1) 1 of the Act means the following facilities: Provided, That facilities exported on a turnkey basis together with an overseas construction project shall be excluded herefrom: <Amended by Presidential Decree No. 22419, Oct. 1, 2010>

- 1.Power generation facilities;
- 2.Facilities for seawater desalination and water processing;
- 3.Marine facilities and water rescue facilities;
- 4.Petroleum treatment facilities and petrochemical facilities;
- 5.Oil refining facilities and oil supply facilities;
- 6.Storage tanks and storage base facilities;
- 7.Freezing and refrigerating facilities;
- 8.Steel manufacturing/processing facilities and steel structural facilities;
- 9.Anti-pollution facilities;
- 10.Air-conditioning facilities;
- 11.New and renewable energy facilities;
- 12.Stationary transporting, loading and unloading facilities, and stationary construction facilities;
- 13.Test and research facilities;
- 14.Other necessary facilities for industrial activities.

Article 52 (Construction Works)

(1)"Construction works" in Article 32 (1) 2 of the Act means the performance of the following construction works: <Amended by Presidential Decree No. 22419, Oct. 1, 2010>

- 1.Civil engineering works;
 - 2.Building works;
 - 3.Installation works of plants: Provided, That the foregoing shall not include any construction work in which the equipment or machinery is installed by the exporter of a plant itself or by a person designing or manufacturing any equipment or machinery for exportation.
- (2)Notwithstanding the proviso to paragraph (1) 3, the Minister of Trade, Industry and Energy may recognize construction works in which the equipment or machinery is installed by the exporter of a plant itself or a person designing or manufacturing the equipment or machinery for exportation, as installation works of plants, only when such person intends to have such construction works recognized as the actual performance of overseas construction works under Article 17 (1) 1 (d) of the Enforcement Decree of the Overseas Construction Promotion Act. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

Article 53 (Request, etc. for Consent)

(1)When the Minister of Trade, Industry and Energy intends to obtain prior consent of the Minister of Land, Infrastructure and Transport with regard to his/her approval or revised approval for exportation on a turnkey basis under Article 32 (3) of the Act, he/she shall serve, on the competent Minister, a document specifying the overview of the exportation of the relevant plant and the following details: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22269, Jul. 12, 2010; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.Name (in cases of a corporation, referring to its trade name and name of its representative) and address of the person executing the construction services and works;
- 2.Business plan for the construction services and works.

(2)Upon receipt of a request pursuant to paragraph (1), the Minister of Land, Infrastructure and Transport shall notify the Minister of Trade, Industry and Energy of the decision on whether to give his/her consent by no later than ten days from the date of receiving such request, unless an extenuating circumstance exists. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22269, Jul. 12, 2010; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

Article 54 (Designation of Institutions Related to Exportation of Plants, etc.)

(1)The Minister of Trade, Industry and Energy shall comprehensively examine the following matters when designating an institution or organization responsible for the affairs of promoting the projects, such as market surveys for exportation of plants, pursuant to the latter part of Article 32 (6) of the Act (hereinafter referred to as an "institution responsible for the promotion of exportation of plants"): <Amended by

Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

1. Representativeness for the exporters of plants;
 2. Business plan for market surveys, etc.
- (2) The Minister of Trade, Industry and Energy may require an institution responsible for the promotion of exportation of plants designated under paragraph (1) to submit a report on the following matters in connection with the promotion of the projects, such as market surveys for exportation of plants: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>
1. Trends in the exportation of plants;
 2. Matters concerning the promotional activities including market surveys for exportation of plants, exchanged information, awarded contracts, and actual performance of the promoted cooperative movement projects;
 3. Other matters concerning the exportation of plants that are requested by the Minister of Trade, Industry and Energy.

SECTION 5 Export Contracts Between Governments

Article 54-2 (Institutions Providing Guarantee Services for Export Contracts between Governments)

"Guarantee and insurance institution prescribed by Presidential Decree" in Article 32-2 (1) of the Act means an institution designated by the Minister of Trade, Industry and Energy, from among persons who have conducted business affairs regarding guarantee or insurance for foreign transactions, such as exports and imports, in the Republic of Korea for at least ten years after evaluating the following:

1. Financial capacity required to provide the guarantee services referred to in Article 32-2 (1) of the Act;
2. Ability to collect, analyze, and assess credit information on parties to foreign transactions, such as exports and imports;
3. System for managing receivables that have accrued in foreign transactions, such as exports and imports.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 54-3 (Measures to Guarantee Performance of Export Contracts between Governments)

"Measures to guarantee the performance of a contract prescribed by Presidential Decree, including the provision of a guarantee and insurance" in Article 32-3 (3) 1 of the Act means the following: Provided, That some of the following measures to guarantee the performance of a contract may be omitted if an agreement has been reached thereon between a foreign government and a domestic company:

1. Providing a guarantee for the repayment of an advance payment, the performance of the contract, the rectification of defects, etc. according to the terms and conditions of the relevant export contract between governments, through a financial company, etc. defined in subparagraph 1 of Article 2 of the Act on Real Name Financial Transactions and Confidentiality;
2. Providing the relevant foreign government a guarantee for performance, etc. of the

relevant export contract between governments, through a guarantee and insurance institution referred to in Article 32-2 (1) of the Act.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 54-4 (Authority and Responsibilities of Dedicated Agency)

(1) If necessary to conclude or implement an export contract between governments, the dedicated agency may request the head of the relevant central administrative agency to render cooperation.

(2) Where an export contract between governments has been concluded, the dedicated agency shall report to the deliberative committee on export contracts between governments (hereinafter referred to as the "Committee") referred to in Article 32-4 (1) of the Act, as follows:

1. The status of domestic companies' performance of export contracts between governments shall be ascertained and reported at least semiannually;
2. Matters excluded from deliberation by the Committee pursuant to the proviso to subparagraph 2 of Article 54-5, shall be reported within two weeks from the modification, etc. thereof.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 54-5 (Matters subject to Deliberation and Determination by Deliberative Committee on Export Contracts between Governments)

"Matters prescribed by Presidential Decree, such as conclusion, amendment, and cancellation of export contracts" in Article 32-4 (1) of the Act means the following:

1. Matters concerning whether to agree to an export contract between governments intended to be concluded with a foreign government, the evaluation of a domestic company's capabilities to perform a contract, and the appropriateness, etc. of measures to guarantee the performance of a contract that a domestic company is required to take pursuant to Article 32-3 (3) 1 of the Act;
2. Matters concerning the amendment to an export contract between governments, such as the term or amount of a contract: Provided, That the following minor matters prescribed by the Committee, shall be excluded herefrom:
 - (a) Modification of the frequency or place of delivery of goods, etc.;
 - (b) Modification of components or specifications;
 - (c) Modification of the method or frequency of payments of the price;
 - (d) Other matters corresponding to those specified in items (a) through (c);
3. Matters concerning the appropriateness of detailed measures to guarantee the performance of a contract, taken by a domestic company pursuant to Article 32-5 (2) of the Act;
4. Matters concerning the termination or cancellation of an export contract between governments, due to a domestic company's failure to fulfil its duty to supply goods, etc. according to an export contract between governments; its loss of capabilities to perform a contract following the revocation, suspension, etc. of authorization, permission, license, etc.; or conclusion of the contract by improper means; or for other reasons;
5. Matters referred by the Chairperson of the Committee to the Committee for deliberation and determination in relation to an export contract between governments.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 54-6 (Composition and Operation of Deliberative Committee on Export Contracts between Governments)

- (1)The following persons shall be members of the Committee, other than the Chairperson:
- 1.One person each designated by the head of his/her agency, from among public officials who belong to the Senior Civil Service Corps of the Ministry of Trade, Industry and Energy and the Public Procurement Service;
 - 2.Two persons designated by the head of the dedicated agency, from among the executive officers of such agency;
 - 3.A person designated by the head of his/her agency, from among public officials belonging to the Senior Civil Service Corps of a central administrative agency, who are deemed, by the Chairperson of the Committee, related to the relevant goods, etc. of an export contract between governments;
 - 4.A person designated by the Chairperson of the Committee, from among the executive officers of a guarantee and insurance institution referred to in Article 54-2, on the recommendation of the head of the institution;
 - 5.Not more than seven persons commissioned by the Chairperson, from among persons with extensive knowledge and experience in a sector related to export contracts between governments.
- (2)The term of office of a commissioned member referred to in paragraph (1) 5 shall be two years and may be consecutively renewed.
- (3)The Chairperson shall convene and preside over meetings of the Committee.
- (4)Where the Chairperson is unable to perform his/her duties for any unavoidable reason, a member pre-designated by the Chairperson shall act on behalf of the Chairperson.
- (5)A majority of the members of the Committee shall constitute a quorum, and any decision thereof shall require the concurring vote of at least two-thirds of those present.
- (6)The Committee may organize and operate a subcommittee to efficiently assess domestic companies' capabilities to perform contracts.
- (7)Except as provided in paragraphs (1) through (6), matters necessary for the composition and operation of the Committee shall be determined by the Chairperson by a resolution of the Committee.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 54-7 (Measures to Guarantee Performance of Contracts by Domestic Companies)

"Measures to guarantee the performance of a contract prescribed by Presidential Decree, such as the provision of a guarantee and insurance" in Article 32-5 (2) of the Act means measures referred to in Article 54-3.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

CHAPTER III-2 MARKING OF ORIGIN

Article 55 (Designation, etc. of Goods Subject to Marking of Origin)

- (1)Where the Minister of Trade, Industry and Energy intends to provide a public announcement of the goods subject to marking of the origin pursuant to Article 33 (1) of the Act (hereinafter referred to as "goods subject to marking of origin"), he/she shall

first consult with the head of the relevant administrative agency having jurisdiction over the relevant goods. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

(2)"Simple processing prescribed by Presidential Decree" in Article 33 (2) of the Act means processing works, such as packaging activities of a product for sale, simple activities for maintaining product value, etc. that are insufficient for intrinsically characterizing a product, and the detailed scope of such processing works shall be determined and publicly announced by the Minister of Trade, Industry and Energy following consultation with the head of the competent central administrative agency. <Newly Inserted by Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

Article 56 (Method of Marking of Origin on Imported or Exported Goods)

(1)Anyone who intends to import any goods subject to marking of origin shall attach a mark of origin on the relevant goods in compliance with the following:

- 1.The mark shall be printed in Korean, Chinese, or English;
- 2.The mark shall be indicated in a typeface easily readable to end purchasers;
- 3.The mark shall be located on a conspicuous part;
- 4.The mark shall be indicated in a way making it impracticable to erase or remove.

(2)Notwithstanding paragraph (1), if it is deemed impracticable or unnecessary to mark the origin on certain goods, and the goods meet the standards determined and publicly announced by the Minister of Trade, Industry and Energy, the origin may be either indicated or omitted, as determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(3)Except as provided in paragraph (1), necessary matters concerning the method of marking the origin of imported goods shall be determined and publicly announced by the Minister of Trade, Industry and Energy: Provided, That if deemed necessary for protecting consumers, the head of the competent central administrative agency having jurisdiction of specific imported goods may determine and publicly announced separate details concerning the marking of the origin of such goods, in consultation with the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(4)Deleted. <by Presidential Decree No. 22419, Oct. 1, 2010>

(5)When the origin of certain goods is marked for exportation, the origin shall be marked in accordance with the method prescribed in each of subparagraphs of paragraph (1), whereas if any regulations of the importing country of the goods stipulate marking the origin differently, the origin may be marked in compliance with such regulations: Provided, That the goods imported and re-exported after simple processing works in the Republic of Korea shall not mark the Republic of Korea as the origin thereof.

Article 57 (Confirmation of Method of Marking of Origin)

(1)Anyone who is obligated to marking the origin of certain goods in accordance with method of marking the origin provided for in Article 56 may request the Minister of Trade, Industry and Energy in writing to confirm the proper method of marking the

origin of the specific goods before importing the goods in question. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- (2) Anyone who has an objection to the method of indicating the origin confirmed by the Minister of Trade, Industry and Energy pursuant to paragraph (1) may file such objection with the Minister of Trade, Industry and Energy in writing within 30 days from the date such confirmation is notified. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) Necessary matters concerning the request for confirmation as to the method of marking the origin and objection to the confirmation shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (4) As regards the importers of goods subject to marking of origin under Article 33 (3) of the Act, the Minister of Trade, Industry and Energy may inspect how and whether the origin is marked in accordance with Article 56 (1) through (3), when such goods are being processed for customs clearance. In such cases, the method, procedure, etc. for the inspection shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

Article 57-2 (Document Inspections)

"Related documents specified by Presidential Decree" in Article 33 (5) of the Act means the following documents: <Amended by Presidential Decree No. 24442, Mar. 23, 2013>

1. Documents concerning information on traders and distributors of imported goods, etc.;
2. Documents concerning prices, quantities, quality, manufacturing or fabricating processes of imported goods, etc.;
3. Other documents deemed necessary by the Minister of Trade, Industry and Energy for verifying whether the marking of origin is violated.

[This Article Newly Inserted by Presidential Decree No. 22419, Oct. 1, 2010]

Article 58 (Corrective Measures against Goods in Violation of Provisions concerning Marking of Origin)

(1) Corrective measures to be taken pursuant to Article 33 (6) of the Act in detail are as follows: <Amended by Presidential Decree No. 22419, Oct. 1, 2010>

1. Orders to reinstate, correct, delete, or place a mark of origin;
2. Suspension of transactions or sales of goods violating the provisions concerning the marking of origin.

(2) An order to take any corrective measure pursuant to Article 33 (6) of the Act shall be issued in writing, clearly specifying the following matters: <Amended by Presidential Decree No. 22419, Oct. 1, 2010>

1. Details of contravening activities;
2. Grounds for and details of an order to take a corrective measure;
3. Deadline for such corrective measure to be taken.

Article 59 (Imposition and Payment of Penalty Surcharges)

(1) Where the Minister of Trade, Industry and Energy or the Mayor/Do Governor intends to

impose a penalty surcharge under Article 33-2 (2) of the Act, he/she shall notify in writing of the demand for the payment, clearly stating the nature of the violation and the amount of the penalty surcharge. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

(2) Anyone who receives a notice under paragraph (1) shall pay a penalty surcharge within 20 days from the date of such notice to the receiving agency determined by the Minister of Trade, Industry and Energy or the Mayor/Do Governor: Provided, That if he/she is unable to pay the penalty surcharge by the deadline for payment due to a natural disaster or any other extenuating circumstance, such penalty surcharge shall be paid within seven days after such cause or circumstance ceases to exist. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

(3) Upon receipt of a penalty surcharge under paragraph (2), the receiving agency shall issue a receipt thereof to the payer.

(4) Upon receipt of a penalty surcharge under paragraph (2), the receiving agency shall notify the Minister of Trade, Industry and Energy or the Mayor/Do Governor thereof without delay. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

(5) Deleted. <by Presidential Decree No. 25118, Jan. 28, 2014>

Article 59-2 (Extension of Deadline for Payment of Penalty Surcharges and Payment in Installments)

(1) Where a person on whom a penalty surcharge is imposed under Article 33-2 (2) of the Act (hereinafter referred to as "person obliged to pay a penalty surcharge") is required to pay an amount exceeding 100 million won and deemed unable to pay in lump sum due to any of the following grounds, the Minister of Trade, Industry and Energy or the Mayor/Do Governor may extend the deadline for payment or allow the person to pay in installments. In such cases, he/she may, if deemed necessary, require the person to provide security:

1. Where accidents, natural disasters, fire, etc. cause huge losses to assets of the person;
2. Where the person's business is in a serious crisis due to troubled economic or business conditions;
3. Where a great difficulty in finances is likely to arise if a penalty surcharge is paid in lump sum;
4. Where other situations equivalent to those prescribed in subparagraphs 1 through 3 arise.

(2) A person who intends to be granted an extension of the deadline for the payment of a penalty surcharge or pay it in installments shall file an application, 10 days before the deadline, with the Minister of Trade, Industry and Energy or the Mayor/Do Governor, along with documents verifying the grounds for the extension of the deadline or the payment in installments.

(3) The extension of the deadline for payment under paragraph (1) shall not exceed one year from the next day of the initial deadline.

(4) Where a penalty surcharge is allowed to be paid in installments under paragraph (1),

the term between payments shall not exceed four months and the number of installment payments shall not exceed three.

(5) In any of the following cases, the Minister of Trade, Industry and Energy or the Mayor/Do Governor may revoke the decision on the extension of the deadline or payment in installments for a person obliged to pay a penalty surcharge who has been granted permission for the extension of the deadline or payment in installments under paragraph (1), and may collect the relevant penalty surcharge in lump sum:

1. Where the person fails to pay a penalty surcharge by the deadline after its installment payment has been decided;
2. Where the person fails to carry out an order to provide security, issued by the Minister of Trade, Industry and Energy or the Mayor/Do Governor;
3. Where it is deemed that all or the remainder of a penalty surcharge is impossible to collect, such as compulsory execution, commencement of auction, declaration of bankruptcy, dissolution of a corporation, and receipt of disposition on national or local taxes in arrears.

[This Article Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014]

Article 60 (Types of Violations subject to Imposition of Penalty Surcharges and Amount of Penalty Surcharges)

(1) The types of violations subject to the imposition of penalty surcharges under Article 33-2 (2) of the Act and the amounts of penalty surcharges according to the severity of violation are set forth in attached Table 2 hereto. <Amended by Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 25118, Jan. 28, 2014>

(2) The Minister of Trade, Industry and Energy or the Mayor/Do Governor may aggravate or abate the amount of a penalty surcharge within the range of half of the amount of penalty surcharge under paragraph (1), taking into consideration the scale of exportation or importation of the relevant trader, etc. and the severity and frequency of violations: Provided, That the total amount of penalty surcharges shall not exceed 300 million won, even when it is aggravated. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

Article 60-2 (Announcement of Offenders of Duty to Mark Origin)

(1) Persons to be announced under Article 33-2 (5) of the Act shall be those on whom the imposition of a penalty surcharge under paragraph (2) of the said Article has been confirmed and who fall under any of the following cases:

1. Where the value of the relevant goods, etc. violating the duty to mark an origin on an export or import declaration that is filed according to the classification of subparagraphs of attached Table 2 (in cases of sellers, referring to an amount calculated by adding the value of sale of the sold goods, etc. to the purchase price of the goods, etc. which are not yet sold, after classifying goods, etc. into those sold and those not sold; hereafter in this paragraph referred to as "value of the goods, etc. violating the duty to mark an origin") exceeds 1 billion won (in cases of items falling under categories 1 through 24 from among items specified in attached Table of the Customs Act and salt, referring to 500 million won);
2. Where the sum of the penalty surcharges for the following violations, from among the value of the goods, etc. violating the duty to mark an origin falling under subparagraph

3 or 4 of attached Table 2, concerning items referred to in categories 1 through 24 and salt specified in the attached Table of the Customs Act, exceeds 50 million won:

- (a) Marking a false or misleading origin claiming that the goods, etc. concerned are of domestic origin;
 - (b) Making changes to origin marking to claim that the goods, etc. concerned are of domestic origin;
3. Where all the following conditions are met:
- (a) Penalty surcharges are imposed under Article 33-2 (2) of the Act, not less than three times within the period of two years from the date when a penalty surcharge is imposed under Article 33-2 (2) of the Act (including the date on which the period commences);
 - (b) The imposition of penalty surcharges under item (a) is confirmed not less than three times;
 - (c) The amount calculated by adding up the values of the goods, etc. violating the duty to mark an origin, which served as the grounds for the confirmed imposition of penalty surcharges under item (b) exceeds 50 million won;
4. Where a person violates the duty to mark an origin on the items falling under categories 1 through 24 and salt specified in the attached Table of the Customs Act and meets all the following conditions:
- (a) Penalty surcharges are imposed under Article 33-2 (2) of the Act, not less than three times within the period of two years from the date when a penalty surcharge is imposed under Article 33-2 (2) of the Act (including the date on which the period commences);
 - (b) The imposition of penalty surcharges under item (a) is confirmed not less than three times.
- (2) The Minister of Trade, Industry and Energy or the Mayor/Do Governor shall make public the following matters related to persons to be announced under paragraph (1) on the website of the Ministry of Trade, Industry and Energy or of the City/Do under Article 33-2 (5) of the Act:
- 1. The title "Announcement of Violations of the Duty to Mark Origin under the Foreign Trade Act";
 - 2. The Names or trade names (in cases of corporations, including the names of their representatives) and addresses (in cases of corporations, including the addresses of principal business offices and places of business violating the duty to mark an origin) of offenders;
 - 3. The kinds and trade names of goods, etc. violating the duty to mark an origin and details of violations;
 - 4. The competent authorities to deal with the violations of the duty to mark an origin, the date and details of disposition.

[This Article Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014]
Article 60-3 (Request for Materials)

In order to ensure that the affairs under Articles 33 and 33-2 of the Act are executed in a uniformed and smooth manner, the Minister of Trade, Industry and Energy may request the heads of local governments to submit materials regarding the relevant affairs.

[This Article Newly Inserted by Presidential Decree No. 25118, Jan. 28, 2014]

Article 61 (Criteria for Assessment of Origin of Imported or Exported Goods)

(1)The origin of certain imported goods pursuant to Article 34 of the Act shall be assessed in accordance with any of the following criteria: <Amended by Presidential Decree No. 21104, Nov. 5, 2008>

- 1.If the whole imported goods are those gathered or produced entirely in one particular country (hereinafter referred to as "wholly obtained goods"), such country shall be the origin of the goods;
- 2.If two or more countries are involved in the production, manufacturing, or processing of imported goods, the country in which activities to finally and substantially transform the goods and give essential characteristics to the goods (hereinafter referred to as "substantial transformation") have been performed, shall be the origin of the goods;
- 3.If two or more countries are involved in the production, manufacturing, or processing of certain goods imported, the country in which simple processing works have been carried out shall not be the origin.

(2)Further specific matters concerning the criteria for the assesment of origin, including the criteria for wholly obtained goods, substantial transformation, and simple processing works under paragraph (1) shall be determined and publicly announced by the Minister of Trade, Industry and Energy, in consultation with the heads of relevant central administrative agencies. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(3)The provisions of paragraphs (1) and (2) shall apply mutatis mutandis to assessment of the origin of exported goods under Article 34 of the Act, and where the criteria for assessment of the origin of such goods are different from the criteria adopted by an importing country, the origin may be assessed in accordance with the criteria for assessment of the origin adopted by an importing country. <Newly Inserted by No. 21104, Nov. 5, 2008>

Article 62 (Procedures for Assessment of Origin)

(1)Anyone who seeks assessment on the origin of exported or imported goods in accordance with Article 34 (3) of the Act shall file an application stating the item code of the goods under the Harmonized Tariff and Statistical Schedules (referring to the Harmonized Tariff and Statistical Schedules under Article 98 of the Enforcement Decree of the Customs Act; hereinafter the same shall apply), the item name (including the model name), the reason for the application, the origin asserted by the applicant, etc. with the Minister of Trade, Industry and Energy along with one sample and other materials necessary for the assessment of the origin: Provided, That the submission of sample may be omitted, if it is impracticable to submit the sample in light of the nature of the goods or if it is deemed that there is no problem in the assessment of the origin of the goods without a sample. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

(2)Where it is impracticable for the Minister of Trade, Industry and Energy to assess the origin of exported or imported goods because the application submitted in accordance with paragraph (1) is inadequately or improperly prepared, he/she may require the applicant to correct the material within a specified period, and may return the

application, etc. if it is not corrected within such period. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

- (3) Upon receipt of an application for the assessment of the origin pursuant to paragraph (1), the Minister of Trade, Industry and Energy shall make the assessment of the origin within 60 days, and shall notify the applicant of the results thereof in writing: Provided, That the period required for the collection of materials, etc. in connection with the assessment shall not be included in the period set forth above. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>
- (4) If there exists any discrepancy between the results of the assessment of the origin and the applicant's assertion, the grounds, etc. for the assessment shall be clearly stated. <Amended by Presidential Decree No. 22419, Oct. 1, 2010>
- (5) The method of the application for the assessment of the origin and other necessary matters concerning the method of prior assessment shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

Article 63 (Objections)

- (1) Anyone who intends to raise an objection to the assessment of the origin under Article 34 (5) of the Act, shall file such objection, stating the item code of the goods under the Harmonized Tariff and Statistical Schedules, the item name (including the model name), the reason for the objection, the origin asserted by the applicant, etc., with the Minister of Trade, Industry and Energy along with the materials necessary for the assessment of the origin. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (2) If it is impracticable to make a decision on the objection filed because the objection, etc. submitted pursuant to paragraph (1) has been inadequately or improperly prepared, the Minister of Trade, Industry and Energy may require to correct the materials within a specified period of time, or may return the objection, etc., if it is not corrected within such period of time. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) The Minister of Trade, Industry and Energy may seek advice from the relevant experts or hear the opinions of the interested persons, to make a decision on the objection filed pursuant to paragraph (1). <Amended by Presidential Decree No. 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (4) Further details necessary for the procedure for raising an objection to the assessment of origin shall be prescribed by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 64 Deleted. <by Presidential Decree No. 21087, Oct. 20, 2008>

Article 65 (Submission of Certificate of Origin of Imported Goods)

- (1) The Minister of Trade, Industry and Energy may require a person who intends to import certain goods determined and publicly announced by the Minister of Trade, Industry and Energy from a specific area determined and publicly announced by the

Minister of Trade, Industry and Energy pursuant to Article 36 of the Act to submit when importing the goods a certificate of origin issued by any of the following institutions:
<Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.The country of origin of the goods;
- 2.The government of the country where the goods are shipped;
- 3.An institution recognized by the country under subparagraph 1 or the government under subparagraph 2.

(2)Other matters necessary for the certificate of origin under paragraph (1) shall be determined and publicly announced by the Minister of Trade, Industry and Energy.
<Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 66 (Guidelines for Issuing Certificates of Origin for Exported Goods)

(1)The source guidelines for issuing a certificate of origin for any exported goods pursuant to Article 37 (2) of the Act shall be the treaties or agreements signed and promulgated pursuant to the Constitution of the Republic of Korea, generally accepted international laws and regulations, or the guidelines for issuing a certificate of origin prescribed by the importing country.

(2)Anyone who seeks a certificate of origin issued for certain exported goods shall file an application for the issuance of a certificate of origin for the exported goods with the Minister of Trade, Industry and Energy along with the following documents attached thereto: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.A document concerning the purchaser and supplier;
- 2.A document concerning the price, quantity, etc. of the exported goods;
- 3.Other documents determined and publicly announced by the Minister of Trade, Industry and Energy as necessary for certifying the origin of the exported goods.

(3)Upon receipt of an application under paragraph (2), the Minister of Trade, Industry and Energy shall inspect and examine as to whether it complies with the guidelines for issuing the certificate of origin pursuant to paragraph (1) to make a decision on whether to issue it, and shall issue the certificate of origin for the exported goods accordingly. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(4)Each certificate of origin under paragraph (3) shall be effective for one year: Provided, That the effective period may differ, if a relevant treaty or agreement signed and promulgated pursuant to the Constitution of the Republic of Korea or generally accepted international laws or regulations provide for a different effective period.

(5)Further details necessary for issuing a certificate of origin of the exported goods, in addition to the provisions of paragraphs (1) through (4), shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 67 (Simple Processing Works)

"Simple processing works" in Article 38 of the Act means the activities set forth in the standards of the simple processing works, publicly announced pursuant to Article 61 (2).

CHAPTER IV LIMITATIONS ON QUANTITY OF IMPORTS

Article 68 (Limitations on Quantity of Imports)

- (1) Where the Minister of Trade, Industry and Energy imposes limitations on the quantity of imports pursuant to Article 39 (1) of the Act, the limited quota shall be equivalent to or more than the quantity calculated by converting the quantity of imports during the recent representative three years into the average quantity of annual imports (hereinafter referred to as the "standard quantity"). In such cases, the years during which the quantity of imports sharply increased or decreased in comparison with the ordinary quantity of imports shall be excluded in determining the recent representative years. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (2) The Minister of Trade, Industry and Energy may, notwithstanding paragraph (1), restrict the quantity of imports to less than the standard quantity, if it is found obviously impracticable to prevent or redress serious damage to related industries caused by placing limitations on the quantity of imports more than the standard quantity. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) The Minister of Trade, Industry and Energy may set up a quota of imports subject to limitations pursuant to paragraph (1) or (2) for each relevant country. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 69 (Extension, etc. of Limitations on Quantity of Imports)

Upon receipt of a recommendation from the Korea Trade Commission to alter existing limitations on the quantity of imports regarding the details of limitations or extension of the enforceable period, the Minister of Trade, Industry and Energy shall make a decision on whether to alter such limitations or extend the enforceable period within one month after such recommendation is received (or, if an extension of the period is involved, by no later than the end of the enforceable period of the limitations on the quantity of imports under Article 39 (1) of the Act), and shall notify the Korea Trade Commission of the measure taken. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 70 Deleted. <by Presidential Decree No. 27382, Jul. 26, 2016>

CHAPTER V MAINTENANCE OF GOOD ORDER IN EXPORTATION AND IMPORTATION

SECTION 1 (Articles 71 through 74) Deleted.

SECTION 2 Mediation of Dispute, etc.

Article 75 (Notice, etc. of Trade Dispute)

- (1) Upon receipt of a report on the occurrence of a trade dispute from a trader of a trading partner country or the head of a trade dispute settlement institution, or when the occurrence of such a trade dispute comes to his/her knowledge while performing the duties, the head of a diplomatic mission of the Republic of Korea in a foreign country shall notify the Minister of Trade, Industry and Energy of the fact without delay. The foregoing shall also apply to the Korea Trade-Investment Promotion Agency, export and import associations, and other institutions relating to exportation and importation.

<Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- (2) Upon receipt of a notice of the occurrence of a trade dispute in accordance with paragraph (1), the Minister of Trade, Industry and Energy may initiate mediation or conciliation, when it is deemed necessary for the expeditious settlement of such dispute. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 76 (Cases where Preshipment Inspection Regarded as Trade Barrier)

Where a preshipment inspection institution under Article 45 (1) of the Act has caused an obstacle against exportation while conducting the preshipment inspection in violation of Article 2 of the World Trade Organization's Agreement on Preshipment Inspection, the preshipment inspection shall be deemed to have functioned as a trade barrier.

Articles 77 through 79 Deleted. <by Presidential Decree No. 21087, Oct. 20, 2008>

Article 80 (Application for Dispute Mediation)

- (1) When a dispute arises in connection with a trading transaction or preshipment inspection, either party or both parties concerned to the dispute may file an application for mediation of the dispute with the Minister of Trade, Industry and Energy in accordance with Article 44 (4) or 45 (2) of the Act. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (2) Necessary matters concerning the application such as the procedure for the application under paragraph (1), shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) The Minister of Trade, Industry and Energy may seek advice from the relevant specialists or hear the opinions of the interested persons, etc. for dispute mediation. <Newly Inserted by Presidential Decree No. 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 81 (Preparation of Mediation Proposal)

- (1) Upon receipt of an application for mediation, the Minister of Trade, Industry and Energy shall prepare a mediation proposal within 30 days and present such proposal to the relevant parties. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (2) The mediation proposal under paragraph (1) shall contain the following matters: <Amended by Presidential Decree No. 21087, Oct. 20, 2008>
1. Description of the case under mediation;
 2. Date, time, and place of the mediation;
 3. Name or trade name of the parties;
 4. Main text of the mediation proposal.

Article 82 (Notification of Mediation Proposal)

- (1) The Minister of Trade, Industry and Energy shall, when a mediation proposal is completely drawn up, notify the relevant parties thereof. <Amended by Presidential Decree No. 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (2) Upon receipt of the notice of the mediation proposal under paragraph (1), each party to the dispute shall notify the Minister of Trade, Industry and Energy in writing of

whether he/she accepts the proposal, within seven days. <Amended by Presidential Decree No. 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 83 (Termination of Mediation)

(1)The Minister of Trade, Industry and Energy may terminate a mediation case on any of the following grounds: <Amended by Presidential Decree No. 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

- 1.When the parties concerned have reached an agreement for settlement or accepted the mediation proposal;
- 2.When an applicant for mediation or either party concerned withdraws the mediation application;
- 3.When either party concerned rejects the mediation proposal;
- 4.When it is deemed impossible for the parties concerned to reach an agreement, or it is considered unnecessary to proceed with the mediation any further.

(2)The Minister of Trade, Industry and Energy shall, when terminating a mediation, issue notice to the parties concerned thereof. <Amended by Presidential Decree No. 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 84 (Mediation Cost)

(1)The Minister of Trade, Industry and Energy may require the parties concerned to a mediation to bear the expenses for mediation conducted pursuant to this Act. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(2)The costs of mediation shall be divided into application fees, expenses, and allowances, and necessary matters concerning the amount of the mediation costs, advance payment procedures, etc. shall be determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 85 (Arbitral Institution for Preshipment Inspection)

(1)An incorporated association designated by the Minister of Trade, Industry and Energy pursuant to Article 40 of the Arbitration Act (hereinafter referred to as the "Korean Commercial Arbitration Board") shall serve as the arbitral institution under Article 45 (3) of the Act. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

(2)Arbitrations under Article 45 (3) of the Act shall be governed by the Arbitration Act.

Article 86 (Relationship to Dispute Settlement Procedure under World Trade Organization Agreement)

The procedure for the settlement of disputes arising in preshipment inspections pursuant to this Act shall not interfere with the procedure for dispute settlement under the World Trade Organization Agreement.

Article 87 (Guidelines for Issuing Order of Coordination)

If deemed necessary, the Minister of Trade, Industry and Energy may determine and publicly announce the guidelines for issuing an order of coordination pursuant to Article 46 (1) 3 of the Act. In such cases, the Minister of Trade, Industry and Energy shall seek an opinion from the head of the competent central administrative agency having jurisdiction over the relevant goods. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 88 (Coordination Orders, etc.)

- (1)The Ministry of Trade, Industry and Energy may seek advice from the relevant specialists or consider the opinions of the interested persons, etc., in order to issue an order of coordination under Article 46 of the Act. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>
- (2)When the Minister of Trade, Industry and Energy issues an order of coordination under Article 46 of the Act, he/she shall publicly announce reasons, subjects, details, etc. of such order, unless any extenuating circumstance exists, such as likelihood of violating confidentiality of a trade secret. <Amended by Presidential Decree No. 24442, Mar. 23, 2013>

[This Article Wholly Amended by Presidential Decree No. 21087, Oct. 20, 2008]

CHAPTER VI SUPPLEMENTARY PROVISIONS

Article 89 Deleted. <by Presidential Decree No. 26774, Dec. 30, 2015>

Article 90 (Fees)

Anyone who seeks a certificate of origin of exported goods in accordance with Article 37 of the Act shall pay a fee determined and publicly announced by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 91 (Delegation and Entrustment of Authority)

- (1)Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust the following authority to the head of each central administrative agency having jurisdiction over the goods, etc. according to the items of such goods, etc.:
Provided, That the authority over the goods, etc. under the jurisdiction of the Minister of Trade, Industry and Energy shall be excluded herefrom: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>
- 1.Authority to place restrictions on the importation of raw materials or equipment for foreign exchange earnings under Article 24 (2);
 - 2.Authority to make a decision on the standard requirements for raw materials or equipment for foreign exchange earnings under Article 25;
 - 3.Authority to set and extend a period for fulfilling the obligation to earn foreign exchange under Article 27;
 - 4.Authority over the following in connection with raw materials or equipment for foreign exchange earnings or the goods, etc. manufactured with such raw materials or equipment (applicable only to the items determined and publicly announced by the Minister of Trade, Industry and Energy):
 - (a)Authority to conduct the follow-up management to monitor whether the obligation to earn foreign exchange is fulfilled in accordance with Article 28 (1);
 - (b)Authority to approve any change in the purpose of use under Article 17 (1) of the Act;
 - (c)Authority to approve transfer or assignment under Article 17 (2) of the Act;
 - 5.Authority to issue a coordination order under Article 46 (1) of the Act;
 - 6.Authority to direct and supervise the affairs delegated pursuant to paragraph (3) 2 to the Special Metropolitan City Mayor, a Metropolitan City Mayor, the Special Self-Governing City Mayor, a Do Governor, or the Governor of a Special Self-Governing

Province (hereinafter referred to as the "Mayor/Do Governor") and to request the submission of materials pursuant to Article 52 (2) and (3) of the Act.

- (2) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall delegate the following authority over the items of goods, etc. under the jurisdiction of the Minister of Trade, Industry and Energy to the Administrator of the Korean Agency for Technology and Standards: Provided, That the authority over wooden furniture out of the authority under subparagraph 1 shall be entrusted to the Director General of the Korea Forest Research Institute: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 24955, Dec. 11, 2013>
1. Authority to determine the requirements for raw materials or equipment for foreign exchange earnings under Article 25;
 2. Authority to conduct follow-up management to monitor whether the obligation to earn foreign exchange is fulfilled in accordance with Article 28 (1);
 3. Authority to direct and supervise the affairs delegated pursuant to paragraph (3) 2 to the Mayor/Do Governor and to request the submission of materials pursuant to Article 52 (2) and (3) of the Act;
 4. Authority to direct and supervise the affairs entrusted pursuant to paragraph (7) 2 and 3 to relevant administrative agencies or organizations designated and publicly announced by the Minister of Trade, Industry and Energy and to request the submission of materials pursuant to Article 52 (2) and (3) of the Act.
- (3) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall delegate the following authority over the goods, etc. under the jurisdiction of the Minister of Trade, Industry and Energy to the Mayor/Do Governor: Provided, That the authority over the business entities within the jurisdiction of any administration agency of a free trade zone shall be delegated to the administrator of each administration agency of a free trade zone: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21104, Nov. 5, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>
1. Authority to extend the period for the obligation to earn foreign exchange under Article 27 (2) and (3);
 2. Authority to approve any change in the purpose of use under Article 17 (1) of the Act;
 3. through 5. Deleted <by Presidential Decree No. 25118, Jan. 28, 2014>
- (4) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust the head of each customs office with the following authority: Provided, That the authority over the business entities within the jurisdiction of each administration agency of a free trade zone out of the authority under subparagraph 6 shall be delegated to the administrator of each administration agency of a free trade zone: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21104, Nov. 5, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>
1. Authority to confirm the exemption from approval for exportation or importation under

- Article 14 of the Act;
2. Authority to confirm the indication of origin under Article 57 (4);
 3. Authority to inspect imported goods, etc. and related documents under Article 33 (5) of the Act;
 4. An order to take corrective measures under Article 33-2 (1) of the Act;
 - 4-Authority to impose a penalty surcharge under Article 33-2 (2) of the Act, to extend the 2. deadline for the payment of a penalty surcharge under Article 59-2 of this Decree, to make a decision on installment payment of a penalty surcharge, and to revoke such decision;
 5. Authority to issue an order to submit a certificate of origin under Article 65;
 6. Authority over the affairs related to the issuance of a certificate of origin for customs concessions out of the affairs related to the issuance of certificates of origin under Article 66 (2) and (3);
 7. Authority to impose and collect an administrative fine against a person specified in Article 59 (2) 3 of the Act (limited to cases in accordance with the authority referred to in subparagraph 3 of this paragraph), pursuant to paragraph (3) of the same Article.
- (5) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust the following affairs to the Korea International Trade Association, the Korea Shipowners' Association established with permission from the Minister of Oceans and Fisheries in accordance with Article 32 of the Civil Act (hereinafter referred to as the "Korea Shipowners' Association"; only for the affairs set forth in subparagraph 4), the Korea Tourism Association and tourism associations for each business type under Articles 41 (1) and 45 (1) of the Tourism Promotion Act (only for the affairs set forth in subparagraph 5 respectively), and the Korea Software Industry Association under Article 26 of the Software Industry Promotion Act (hereinafter referred to as the "Korea Software Industry Association"; only for the affairs set forth in subparagraph 6) respectively: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25475, Jul. 16, 2014>
1. Designation of a specialized trading company under Article 8-2 (1) of the Act and Article 12-2 (2) and (3) of this Decree, and revocation of the designation under Article 8-2 (3) of the Act;
 - 1-Development and operation of computerized management systems for establishing a 2. database on export or import statistics, including the grant, management, etc. of trader identification numbers pursuant to Article 21 (1);
 2. Collection and analysis of information relating to exportation or importation under Article 22 (2);
 3. Confirmation of exportation or importation of services under Article 23;
 4. Confirmation of exportation or importation of the marine transportation service out of services under Article 23;
 5. Confirmation of exportation or importation of the tourism service out of services under Article 23;
 6. Confirmation of exportation or importation of intangible goods in an electronic form under Article 23.
- (6) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall

entrust the following authority to the Commissioner of the Korea Customs Service:
 <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21104, Nov. 5, 2008; Presidential Decree No. 21806, Nov. 2, 2009; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

1. Authority to prescribe details concerning the method of indicating origin within the extent of the method of indicating an origin prescribed by the Minister of Trade, Industry and Energy pursuant to the main sentence of Article 56 (3);
 - 1- Authority to verify the method of indicating an origin and to deal with objections
 2. pursuant to Article 57 (1) and (2);
2. Authority to make the assessment of the origin and deal with objections thereof pursuant to Articles 62 and 63;
3. Authority to direct and supervise the affairs entrusted pursuant to paragraph (4) to the heads of customs offices and request the submission of materials pursuant to Article 52 (2) and (3) of the Act.

(7) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust the following authority over the goods, etc. subject to approval for exportation or importation to the heads of the relevant administrative agencies or organizations designated and publicly announced by the said Minister: <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013; Presidential Decree No. 25118, Jan. 28, 2014>

1. Authority to grant approval or revised approval for exportation or importation, to set and extend the effective period of approval, and to accept a report on any change thereof pursuant to Article 11 (2) through (5) of the Act;
2. Authority to approve importation of raw materials or equipment for foreign exchange earnings pursuant to Article 24;
3. Authority to conduct follow-up management under Article 28 for raw materials or equipment for foreign exchange earnings under the jurisdiction of the Minister of Trade, Industry and Energy.

(8) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust his/her authority over approval or revised approval for exportation of plants under Article 32 (1) of the Act (excluding the exportation on a turnkey basis that requires consents from the Minister of Land, Infrastructure and Transport) to the Korea Association of Machinery Industry established with the authorization of the Minister of Trade, Industry and Energy pursuant to Article 38 of the Industrial Development Act (hereinafter referred to as the "Korea Association of Machinery Industry"): Provided, That cases of exportation on condition of deferred financial support shall be entrusted to the Export-Import Bank of Korea under the Export-Import Bank of Korea Act.
 <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 22269, Jul. 12, 2010; Presidential Decree No. 22419, Oct. 1, 2010; Presidential Decree No. 24442, Mar. 23, 2013>

(9) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust the following authority to the Korean Commercial Arbitration Board:
 <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21087, Oct. 20, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

1. Authority to conduct mediation or conciliation of trade disputes under Article 75 (2);
 2. Authority for the dispute mediation and payment of mediation costs under Articles 80 through 84.
- (10) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust the affairs related to the issuance of certificates of origin under Article 66 (2) and (3) (including affairs related to the issuance of certificates of origin for obtaining customs concessions) to the Korea Chamber of Commerce and Industry established pursuant to the Chambers of Commerce and Industry Act (hereinafter referred to as the "Korea Chamber of Commerce and Industry") or a legal entity designated and publicly announced by the Minister of Trade, Industry and Energy among legal entities established in accordance with Article 32 of the Civil Act. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (11) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust his/her authority for the issuance and follow-up management of the purchase certificates under Article 31 to the heads of foreign exchange banks and the electronic trade infrastructure business entities designated by the Minister of Trade, Industry and Energy under Article 6 of the Electronic Trade Facilitation Act. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 21104, Nov. 5, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (12) Pursuant to Article 52 (1) of the Act, the Minister of Trade, Industry and Energy shall entrust his/her authority for the determination and notice of strategic items under Article 36 (2) to the Korea Strategic Trade Institute established pursuant to Article 29 of the Act. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- Article 92 (Coordination following Delegation, Entrustment, etc. of Authorities)
- (1) The Mayor/Do Governor or the head of a customs office shall, when he/she intends to impose a penalty surcharge or an administrative fine pursuant to Articles 33-2 (2) and 59 (3) of the Act (limited to cases violating Article 59 (2) 3 of the Act) or Article 91 (4) 4-2 and 7 of this Decree, consult in advance with the head of a customs office or the Mayor/Do Governor, respectively. <Amended by Presidential Decree No. 25118, Jan. 28, 2014>
- (2) Any person to whom the authority of the Minister of Trade, Industry and Energy has been delegated or entrusted pursuant to Article 91 shall submit a report on the results of the affairs delegated or entrusted to the Minister of Trade, Industry and Energy. Necessary matters concerning the time, method, etc. of reporting shall be prescribed by the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (3) When a person to whom his/her authority has been delegated or entrusted pursuant to Article 91 and who has dealt with the delegated or entrusted affairs in violation of the Act or this Decree, the Minister of Trade, Industry and Energy may demand to take corrective or any other necessary measures. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>
- (4) A person who receives a demand for corrective or any other measures under

paragraph (3) shall promptly take corrective measures on the affairs and report the result thereof to the Minister of Trade, Industry and Energy. <Amended by Presidential Decree No. 20678, Feb. 29, 2008; Presidential Decree No. 24442, Mar. 23, 2013>

Article 93 (Legal Fiction as Public Officials)

"Legal entities and organizations specified by Presidential Decree" in Article 58 of the Act means the following institutions and organizations:

1. Korea International Trade Association;
2. Korea Software Industry Association;
3. Korea Shipowners' Association;
4. Korea Tourism Association and tourism association for each business type under Articles 41 (1) and 45 (1) of the Tourism Promotion Act;
5. Organizations designated pursuant to Article 91 (7);
6. Korea Association of Machinery Industry;
7. Korean Commercial Arbitration Board;
8. Korea Chamber of Commerce and Industry;
9. Legal entities designated pursuant to Article 91 (10).

Article 93-2 (Re-Examination of Regulation)

(1) The Minister of Trade, Industry and Energy shall examine the appropriateness of the criteria for the designation of specialized trading companies referred to in Article 12-2 (1) every five years, counting from July 22, 2014 (referring to the period that ends on the day before the base date of every five years) and shall take measures, such as making improvements.

(2) The Minister of Trade, Industry and Energy shall examine the appropriateness of the following matters every two years, counting from each base date specified in the following (referring to the period that ends on the day before the base date of every two years) and shall take measures, such as making improvements: <Newly Inserted by Presidential Decree No. 25840, Dec. 9, 2014>

1. Criteria for trade-related facilities eligible for support to advance trade referred to in Article 5 (2): January 1, 2015;
2. Designation, etc. of self-compliance traders under Article 43: January 1, 2015;
3. Matters to be reported by self-compliance traders and the reporting period under Article 45: January 1, 2015;
4. Matters publicized in relation to offenders of the duty to indicate origin under Article 60-2 (2) and procedures: January 1, 2015.

[This Article Newly Inserted by Presidential Decree No. 25475, Jul. 16, 2014]

Article 94 (Criteria for Imposition of Administrative Fines)

The criteria for imposition of administrative fines under Article 59 (1) and (2) of the Act shall be as specified in attached Table 4.

[This Article Wholly Amended by Presidential Decree No. 21104, Nov. 5, 2008]

ADDENDA

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Article 2 (Applicability)

The amended provisions of Article 36 (3) shall be applicable to cases for which an application for judgment on strategic items is filed on or after the date the Enforcement Decree of the Foreign Trade Act (Presidential Decree No. 19986) enters into force.

Article 3 Omitted.

Article 4 (Relationship to Other Statutes)

A citation of any provision of the former Enforcement Decree of the Foreign Trade Act, if any, by any other statute enforceable as at the time this Decree enters into force shall be deemed a citation of a corresponding provision of this Decree in lieu of the former provision, if such corresponding provision exists herein.

ADDENDA <Presidential Decree No. 20678, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Presidential Decree No. 20947, Jul. 29, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on February 4, 2009. (Proviso Omitted.)

Articles 2 through 28 Omitted.

ADDENDA <Presidential Decree No. 21087, Oct. 20, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 4 Omitted.

ADDENDUM <Presidential Decree No. 21104, Nov. 5, 2008>

This Decree shall enter into force on the date of its promulgation: Provided, That the amended provisions of Article 91 (11) shall enter into force six months after the date of its promulgation.

ADDENDA <Presidential Decree No. 21806, Nov. 2, 2009>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Article 2 Omitted.

ADDENDA <Presidential Decree No. 22269, Jul. 12, 2010>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

Article 2 Omitted.

ADDENDUM <Presidential Decree No. 22419, Oct. 1, 2010>

This Decree shall enter into force on October 6, 2010.

ADDENDA <Presidential Decree No. 23248, Oct. 25, 2011>

Article 1 (Enforcement Date)

This Decree shall enter into force on October 26, 2011.

Articles 2 through 4 Omitted.

ADDENDA <Presidential Decree No. 24442, Mar. 23, 2013>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 12 Omitted.

ADDENDA <Presidential Decree No. 24955, Dec. 11, 2013>

Article 1 (Enforcement Date)

This Decree shall enter into force on December 12, 2013.

Articles 2 through 4 Omitted.

ADDENDA <Presidential Decree No. 25118, Jan. 28, 2014>

Article 1 (Enforcement Date)

This Decree shall enter into force on January 31, 2014.

Article 2 (Applicability to Effective Period of Approval for Exportation or Importation)

The amended provisions of Article 18 (2) shall apply beginning with the application for approval for exportation or importation filed after this Decree enters into force.

Article 3 (Applicability to Effective Period of Certificate of Purpose of Importation of Strategic Items)

The amended provisions of Article 40 (3) shall apply beginning with the application for the issuance of a certificate of purpose of importation of strategic items filed after this Decree enters into force.

Article 4 (Applicability to Effective Period of Export Permission, etc.)

The amended provisions of Article 42-2 shall apply beginning with the application for export permission, situational permission, permission for transit or transshipment, or brokerage permission filed after this Decree enters into force.

Article 5 (Applicability to Extension of Deadline for Penalty Surcharge Payment and Installment Payment)

The amended provisions of Article 59-2 shall also apply to cases where a penalty surcharge is imposed for violating Article 33 (2) through (4) of the Act (excluding Article 33 (4) 4 of the Act) before this Decree enters into force.

Article 6 (Applicability to Announcement of Offenders of Duty to Mark Indication of Origin)

(1)The amended provisions of Article 60-2 (1) 3 and 4 shall also apply to any person who meets all the following conditions:

1. Penalty surcharges are imposed not less than once for violating Article 33 (2) through (4) of the Act (excluding Article 33 (4) 4 of the Act) after this Decree enters into force, and the imposition is confirmed not less than once;
2. Penalty surcharges are imposed under Article 33-2 (2) of the Act or Article 33 (6) of the previous Foreign Trade Act (before amended by Act No. 11958) not less than two times within the period of two years from the date when a penalty surcharge was imposed under subparagraph 1 (including the date on which the period commences);
3. The imposition of a penalty surcharge under subparagraph 2 is confirmed not less than two times;
4. An amount calculated by adding up the values of the goods, etc. violating the duty to bear an indication of origin, which serve as the grounds for the confirmed imposition of a penalty surcharge under subparagraph 1 or 3, exceeds 50 million won (limited to cases under the amended provisions of Article 60-2 (1) 3).

(2)Where the offenders falling under paragraph (1) is made public under the amended provisions of Article 60-2 (2), the details of the announcement shall be the violations of the provisions of Article 33 (2) through (4) of the Act (excluding Article 33 (4) 4 of the Act) after this Decree enters into force.

Article 7 (Special Cases concerning Application for Determination of Grade of Previous Self-Compliance Traders, etc.)

- (1) A person who has been designated as a self-compliance trader under Article 25 (1) of the Act before this Decree enters into force shall file an application for the determination of the grade of self-compliance traders with the Minister of Trade, Industry and Energy, along with the documents under the amended provisions of subparagraphs of Article 43 (3) within six months after this Decree enters into force.
- (2) The amended provisions of Article 43 (4) through (6) shall apply to the determination of the grade after the receipt of the application for the determination of the grade of self-compliance traders under paragraph (1) and the notification thereof.
- (3) The scope of export control works that a person designated as a self-compliance trader under Article 25 (1) of the Act before this Decree enters into force is allowed to manage autonomously until he/she is notified of the determination of the grade under paragraph (2) shall be determined and publicly announced by the Minister of Trade, Industry and Energy.

ADDENDUM <Presidential Decree No. 25475, Jul. 16, 2014>

This Decree shall enter into force on July 22, 2014.

ADDENDA <Presidential Decree No. 25751, Nov. 19, 2014>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation: Provided, That from among the Presidential Decrees amended pursuant to Article 5 of the Addenda, the amendments to the Presidential Decrees which have been promulgated before this Decree enters into force but the enforcement dates of which have yet to arrive, shall enter into force on the enforcement date of the relevant Decree.

Articles 2 through 5 Omitted.

ADDENDA <Presidential Decree No. 25840, Dec. 9, 2014>

Article 1 (Enforcement Date)

This Decree shall enter into force on January 1, 2015.

Articles 2 through 16 Omitted.

ADDENDUM <Presidential Decree No. 26774, Dec. 30, 2015>

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

ADDENDA <Presidential Decree No. 27382, Jul. 26, 2016>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 28, 2016: Provided, That subparagraph 7 of Article 32 shall enter into force on the date the Arms Trade Treaty becomes effective for the Republic of Korea.

Article 2 (Applicability to Time Period for Fulfilling Obligation to Earn Foreign Exchange, for Raw Materials or Equipment for Foreign Exchange Earnings Used for Repair of Defects or Maintenance of Machinery)

The amended provisions of Article 27 (1) 4 shall apply, starting from raw materials or equipment for foreign exchange earnings used for the repair of defects, or maintenance, of machinery imported after this Decree enters into force.

ADDENDA <Presidential Decree No. 27506, Sep. 22, 2016>

Article 1 (Enforcement Date)

This Decree shall enter into force on September 23, 2016.

Articles 2 through 4 Omitted.

ADDENDUM <Presidential Decree No. 27548, Oct. 18, 2016>

This Decree shall enter into force on the date of its promulgation.

ADDENDA <Presidential Decree No. 28212, Jul. 26, 2017>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Articles 2 through 4 Omitted.

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