

(Korea Dairy Industries Association Public Announcement No. 2012-2: March 13, 2012)

Detailed Guideline on Import License Allocation and Recommendation of Tariff Rate Quotas Under the Korea-U.S. FTA

1. Basis

The Agro-fisheries TRQ Recommendation and Import Management Guideline Pursuant to the Free Trade Agreement Between the Republic of Korea and the United States of America (Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No. 2012-32).

2. Products and Quantity (Please refer to Annex 3)

- a. Fresh, curd grated or powdered, processed, and all other cheeses: 7,000 tons**
- b. Food whey: 3,000 tons**
- c. Prepared dry milk and other: 700 tons**

3. HSK Codes for Each Product Item (Please refer to Annex 4)

a. Fresh, curd grated or powdered, processed, and all other cheeses

0406.10.1010, 0406.10.1020, 0406.10.1090, 0406.20.0000, 0406.30.0000

0406.90.1000(cheddar cheese), 0406.90.2000, 0406.90.3000, 0406.90.4000,
0406.90.9000

- However, cheddar cheese shall be admitted free of duty from year 10 and TRQ shall no longer apply.

b. Food whey

- 0404.10.1019, 0404.10.1099, 0404.10.2119, 0404.10.2129, 0404.10.2139,
0404.10.2199, 0404.10.2990

c. Prepared dry milk and other

- 1901.10.1010, 1901.10.1090

4. Applicable Period: March 15, 2012 ~ December 31, 2012

5. Applied Tariff Rate: 0%

6. Persons Eligible for Allocation and Recommendation: End-users such as historical and new importers, etc.

7. Application Period: March 15, 2012 ~ March 28, 2012 (2 weeks)

8. Agency for Allocation and Recommendation: Korea Dairy Industries Association

9. Persons to Receive Allocation: Historical and new importers

- Shall be limited to importers who have received the Certificate of Livestock Product Import and Distribution Business prior to the date of the Public Announcement.

10. Allocation Criteria and Documents to be Submitted

a. Allocation Criteria

- Past two-year international import records will be given a weight of 95% and quantity requested for the quota year a weight of 5%.
- Notwithstanding, at most, the double amount of the quantity imported in previous year will be recognized as the quantity to be requested for the quota year.

b. Documents to be Submitted

- Historical importers: Past import records (documents certifying import records, etc.)
- New importers: New companies desiring to import

c. Upper Limit for Allocation: An upper limit per importer may be established at 20% or less of the total TRQ quantity, in order to allow for optimal allocations.

d. Minimum base quantity shall be 20 tons.

e. To allocate quantities to new importers that have received no allocation, 10% or less of the total TRQ quantity may be reserved for this purpose.

f. The reserved quantities and returned quantities that are remaining six months after the allocation shall be allocated to importers that need the additional allocations.

11. Country of Origin of Recommended Products: United States of America

12. Issuance of Recommendation

- A Recommendation shall be issued for Korea-US FTA TRQ's if and when it is determined that the requirements in the *Agro-Fisheries Product Tariff Rate Quota Recommendation and Import Management Guideline Pursuant to the Free Trade Agreement Between the Republic of Korea and the United States of America* are met, in accordance with Ministry for Food, Agriculture, Forestry and Fisheries Public Notice (No. 2012-32).

13. Validity Period of a Recommendation

- The validity period for a Recommendation shall be ninety (90) days from the date of issuance. However, if the last day of the validity period is a national holiday, the Recommendation shall be deemed to expire on the first working day after such national holiday.

14. Application Documents

a. Application for TRQ Allocation

- (1) One copy of application form for allocation of dairy product TRQ's: refer to Annex 1
- (2) Documentary evidence of past two-year import records
- (3) One copy of Certificate of Business Registration
- (4) One copy of Certificate of Registration for Livestock Product Import and Distribution Business

b. Application for TRQ Recommendation After TRQ Allocation

- (1) One copy of *Application Form for Korea-US FTA Tariff Rate Quota Recommendation*: refer to Annex 2
- (2) One copy of bill of lading
- (3) One copy of commercial invoice

(4) One copy of import agent service contract (only when using contracted import agent)

15. Measures to Facilitate Fulfillment Rate

- In order to facilitate full fulfillment of a TRQ (minimum fulfillment rate of 95%), the importer with the allocated quota must return the anticipated unused quantity at least six months prior to the pre-determined TRQ expiry date.

- In order to facilitate fulfillment, if the fulfillment rate of the allocated TRQ quantity is 95% or less with no quantity returned six months prior to the expiry date, the importer shall be excluded from the next round of allocation.

- As part of additional measures to facilitate fulfillment, the importer with the allocated import license may be requested to report on necessary matters such as fulfillment plan, etc.

16. How to Obtain and Register Applications

a. How to obtain application forms: Download from the website of Korea Dairy Industries Association (www.koreadia.or.kr)

b. Where to submit application: Korea Dairy Industries Association

- Submit application by: E-mail (kmh@koreadia.or.kr) or by FAX (02-588-1459)

c. For further information: Contact Korea-US FTA TRQ Manager at Korea Dairy Industries Association (Tel.: 02-584-3631)

(Annex 1)

Application for TRQ Allocation Under the Korea-US TRQ Allocation for 2012

1. Name of Company: _____ Department and Person in Charge: _____

2. Tel.: _____ Fax: _____ E-mail: _____

3. Purpose: General Domestic Consumption

4. Products and HSK

○ Fresh, curd grated or powdered, processed, and all other cheeses: 0406.10.1010, 0406.10.1020, 0406.10.1090, 0406.20.0000, 0406.30.0000, 0406.90.1000, 0406.90.2000, 0406.90.3000, 0406.90.4000, 0406.90.9000

○ Food whey: 0404.10.1019, 0404.10.1099, 0404.10.2119, 0404.10.2129, 0404.10.2139, 0404.10.2199, 0404.10.2990

○ Prepared dry milk and other: 1901.10.1010, 1901.10.1090

5. Quantity Requested:

Fresh, curd grated or powdered, processed, and all other cheeses: tons / Food whey: tons

/ Prepared dry milk and other: tons

6. Past Import Records (Unit: tons)

Description	Fresh, curd grated or powdered, processed, and all other cheeses	Food whey	Prepared dry milk and other
2010			
2011			
Total			

* Documentary evidence for verifying import records:

- Certificate of Company Records issued by Korea Customs and Trade Development Institute(02-3416-5115~8) or Certificate of Company Export and Import Records issued by Korea International Trade Association via its website for members(www.kita.net).

※ footnotes:

1. Attach one(1) copy of Certificate of Business Registration
2. Attach one(1) copy of documentary evidence on past import records
3. Attach one(1) copy of Certificate of Registration for Livestock Product Import and Distribution Business

I hereby confirm that the information provided above is true and correct.

Name of Company: _____ (Seal of Company Representative)

(Annex 2) Application Form for Korea-US FTA Tariff Rate Quota Recommendation

Application Receipt No.:	Required time for processing
	2 days

Application Form for the Korea-US FTA Tariff Rate Quota Recommendation

	Applicant (Tax Payment Obligor)	Importer
Company name		
Address		
Name of company representative		
Business Registration No.		
Phone No.	(Mobile:)	(Mobile:)
Fax No.		

◦ Details of Request

HS Code	Product Name	Quantity	Price	Country of origin	Expected Import Date	Purpose

I hereby apply for the issuance of the TRQ recommendation under the Korea-US FTA based on the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No. 2012-32.

mm. dd. year

Name of applicant _____(seal)

To: Head of the Agency

(Annex 3)**Yearly TRQ's Under the Korea-US Free Trade Agreement**

(Unit: tons)

Year	Fresh, curd grated or powdered, processed, and all other cheeses	Food whey	Prepared dry milk and other
1	7,000	3,000	700
2	7,210	3,090	721
3	7,426	3,183	743
4	7,649	3,273	765
5	7,879	3,377	788
6	8,115	3,478	811
7	8,358	3,582	836
8	8,609	3,690	861
9	8,867	3,800	887
10	9,133 (Unlimited for cheddar cheese)	Unlimited	Unlimited
11	9,407		
12	9,690		
13	9,980		
14	10,280		
15	Unlimited		

(Annex 4)**Products for TRQ Recommendation Under the Korea-US Free Trade Agreement****(Products for Import License Allocation by Korea Dairy Industries Association)**

Products	HSK	Name of Item	Remarks
Food whey	0404-10-1019	Whey powder(other)	
	0404-10-1099	Whey(other)	
	0404-10-2119	Modified whey (Lactose removed/other)	
	0404-10-2129	Modified whey(Demineralized/other)	
	0404-10-2139	Modified whey(Whey protein concentrates/other)	
	0404-10-2199	Modified whey(Whey from which all or part of the lactose, proteins or minerals have been removed/other)	
	0404-10-2990	Other modified whey (other)	
Fresh, curd grated or powdered, processed, and all other cheeses	0406-10-1010	Cheese(Fresh/Mozzarella)	
	0406-10-1020	Cheese(Fresh/Cream cheese)	
	0406-10-1090	Cheese(Fresh/Other)	
	0406-20-0000	Cheese(Grated or powdered cheese, of all kinds)	
	0406-30-0000	Cheese(Processed/not grated or powdered)	
	0406-90-1000	Other cheese(Cheddar cheese)	
	0406-90-2000	Other cheese(Gouda cheese)	
	0406-90-3000	Other cheese(Camembert cheese)	
	0406-90-4000	Other cheese(Emmental cheese)	
0406-90-9000	Other cheese(Other)		
Prepared dry milk and other	1901-10-1010	Prepared dry milk	
	1901-10-1090	Prepared dry milk(other)	