< Korea Feed Ingredients Association-Public Announcement 2012-19>

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In accordance with 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* (Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No.2012-302), the Korea Feed Ingredients Association hereby announces the Detailed Guideline on Import License Allocation and Recommendation of Tariff Rate Quotas for fodder.

December 26, 2012

Chairman of Korea Feed Ingredients Association

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

Article 1 (Product for Allocation and Recommendation)

The product for tariff rate quota(TRQ) allocation and recommendation for applying FTA duty under this Detailed Guideline is described below.

HS NO.	Product	TRQ Quantity	Country of Origin	Applied Tariff Rate	Applicable Period
1214.90.9090	Fodder	49,200 tons	United States of America	0%	Jan. 1, 2013 ~ Dec. 31, 2013

Article 2 (Persons Eligible for Allocation and Recommendation)

Persons eligible for a TRQ product recommendation in accordance with this Guideline shall be "producers of fermented feeds, fiber processed feeds and compound fiber feeds for ruminants."

Article 3 (Application Period and Guidelines)

- ①Applicants as described in Article 2 shall submit applications for allocation of anticipated import quantity for year 2013 (Year 2) during the period from January 1, 2013 to January 10, 2013 using the form in Annex Form 1.
- ②When submitting the application pursuant to Paragraph ① above, the applicant must include information on past two-year international import performance (fodder) and quantity requested for allocation.

Article 4 (Allocation Method and Procedures)

- ① The quantity allocated to applicants shall be within the quota allocated to KFA as determined by the Minister of Food, Agriculture, Forestry and Fisheries.
- ② 95% of the quantity allocated to KFA shall be given priority in allocating to applicants, and 5% shall be allocated and recommended, on a first-come first-served basis, to newly applying importers and importers who have used in full the previously allocated quantity and request additional allocations.
- 3 Past two-year international import performance of the product concerned shall be given a weight of 90% and the quantity requested described in Article 3 a weight of 10%.
- Notwithstanding, for the quantity requested, the volume that will be recognized will be a maximum of twice the import volume of the previous year. For newly applying importers, production capacity shall be taken into consideration in determining allocations.
- ④ In the event returned or unused quantities from among the allocated volume occur during the quota year, such quantities shall be allocated to requesting importers on a first-come first-served basis.
- ⑤ For newly applying importers with no previous import record, their feed production capacity shall be taken into account in the allocation process.

Article 5 (Validity Period of a Recommendation)

The validity period of a Recommendation shall be ninety(90) days from the date of issue and shall not extend beyond December 31st of the quota year.

Article 6 (Required Documents for Recommendation)

Persons who wish to apply for a Korea-US FTA TRQ Recommendation are required to submit the documents described in each of the following subparagraphs:

1. One copy of Application Form for Korea-US FTA Tariff Rate Quota

Recommendation,

- 2. One copy of commercial invoice,
- 3. One copy of bill of lading,
- 4. One copy of packing list,
- 5. One copy of document certifying country of origin,
- 6. One copy of import agent service contract (if using import agent), and
- 7. One copy of Product Usage Plan

Article 7 (Obligations)

- ① All persons who are allocated import licenses for Korea-US FTA tariff rate quotas must comply with and implement the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No. 2012-302 (revised Dec. 18, 2012) on 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.
- ② In the event an importer anticipates that a certain quantity out of the allocation will not be imported during the quota year, the importer must return such unused quantity at least six months prior to the TRQ expiry date. In addition, if 5% or more of the allocated quantity remains not imported or if the return requirements are not complied with, the importer will be excluded from the allocation process the following year or be subject to a reduction in allocated quantity.

Addendum

Article 1 (Date of Enforcement)

This Guideline shall be enforced starting January 1, 2013.

Article 2 (Public Announcement)

Public announcement of this Guideline shall be posted on the website of Korea Feed Ingredients Association (www.kfeedia.org).

Application Form for Korea-US FTA TRQ Allocation for Year 2

(Unit: tons)

Product (HS NO.)	Past Two-year Import Performance 2011 - 2012	Quantity Requested	Remarks
1214.90.9090			

^{* •} If the import record from the past two-years is not provided, then the KFIA will look at the record for the recommendation that our association made for the company and that amount shall apply.

I hereby request TRQ allocation.

mm.dd.year

Name of Company: Representative: (seal)

Staff in charge	Telephone No.		

[•] For the quantity requested, the amount that will be recognized will be a maximum of twice the import volume of the previous year.