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 (revised December 18, 2012), the Korea Feed Milk Replacer Association (KFMRA) hereby announces the Detailed Guideline on Import License Allocation and Recommendation of Tariff Rate Quotas.

December 26, 2012

## Chairman of Korea Feed Milk Replacer Association

# Instructions for Allocation and Recommendation of KORUS FTA Tariff-Rate Quota Import License

#### **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
2309.90.9000	Feed supplements	600 tons	United States of America	0%	Jan. 1, 2013 ~ Dec. 31, 2013
	(Raw materials for milk replacer feed)				

#### **Article 2 (Persons Eligible for Allocation and Recommendation)**

The persons eligible for TRQ product recommendation in accordance with this Guideline shall be "producers of milk replacer product (includes new producer)."

# **Article 3 (Application Period and Guidelines)**

- ① Applicants 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 1.
- ② When submitting the application pursuant to Paragraph ① above, the applicant must include information on past two-year international import performance (Feed supplement- Raw Materials for milk replacer feed) and

quantity requested for allocation.

#### **Article 4 (Allocation Method and Procedures)**

- ① The quantity allocated to applicants shall be within the quota allocated to KFMRA as determined by the Minister of Food, Agriculture, Forestry and Fisheries.
- ② 80% of the quantity allocated to KFA shall be given priority in allocating to applicants, and 20% 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. Notwithstanding, the allocated and recommended quantity cannot exceed 40 metric tons for each company.
- 3 Past two-year U.S. import performance of the product concerned shall be given a weight of 80% and the quantity requested described in Article 3 a weight of 20%.

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 milk replacer producer, their import plan 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 and recommended to requesting producers of milk replacer products on a first-come first-served basis.
- ⑤ For newly applying milk replacer producer with no previous import record, their supply and demand plan for milk replacer products 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 31<sup>st</sup> 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 and sales offer
- 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 10% 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 Milk Replacer Association (www.milkreplacer.or. kr).

# 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
2309.90.9000			

Note) If the import records for the past two-years is not provided, then the association's record shall apply. And for the quantity requested, the volume that will be recognized will be a maximum of twice the import volume of the previous year.

I hereby request TRQ allocation.

mm.dd.year

Name of Company: Representative: (seal)

Staff in charge	Telephone No.		