

SECTION II CUSTOMS PROCEDURES

TITLE IV

PROOF OF ORIGIN

Article 15

Origin Declaration

For the purposes of obtaining preferential tariff treatment in the importing Party, a proof of origin in the form of an origin declaration as set out in Appendix 3 shall be completed by an exporter of a Party for products which can be considered to be products originating in Korea or in an EFTA State and which fulfil the other requirements of this Annex.

2. The origin declaration may be provided on an invoice or any other commercial document identifying the exporter, his address and telephone number, which describes the products concerned in sufficient detail to enable them to be identified.

3. An origin declaration shall be completed in English, in a legible and permanent form and, except as provided in Article 16, bear the original signature of the exporter.

4. An origin declaration may be completed by the exporter or the producer when the products to which it relates are exported, or after exportation.

5. When completing an origin declaration, an exporter that relies on documents and information from a producer shall take steps in accordance with domestic laws and regulations of the exporting Party to ensure that the documents and information are accurate.

6. An exporter that has completed an origin declaration and that becomes aware that the origin declaration contains incorrect information shall immediately notify the importer in writing with a copy to the exporting customs authority of any change affecting the originating status of each product to which the origin declaration is applicable. Penalties, if any, shall be made in accordance with laws and regulations of the exporting Party.

7. An exporter that has completed an origin declaration shall, on request of the customs authority of the exporting Party, provide to the authority concerned a copy of the origin declaration, and of all documents supporting the originating status of each product to which the origin declaration is applicable. For this purpose, the said customs authorities shall have the right to carry out inspections of the exporters or the producer's accounts or any other controls considered appropriate.

8. For the purposes of this Article, the term "exporter" does not include a forwarding agent, customs broker or the like, unless such a company, in accordance with national laws and regulations has been authorized in writing by the owner of the product to complete the origin declaration.

Article 16

Approved Exporter

Where a Party has established an approved exporter programme, the customs authority of that Party may authorize an exporter of that Party that makes frequent shipments of originating products under this Agreement to complete an origin declaration without signature, on condition that he gives the customs authority of the exporting Party a written undertaking that he accepts full responsibility for any origin declaration which identifies him as if it had been signed in manuscript by him.

The customs authority of the exporting Party shall provide to the approved exporter referred to in paragraph 1, a customs authorization number or other form of identification as may be agreed by the customs authorities of the Parties for use on the origin declaration instead of the signature of the exporter.

The customs authority of the exporting Party may verify the proper use of an authorization as referred to in paragraph 1 and may at any time withdraw the authorization if the exporter no longer meets the conditions or otherwise makes improper use of the authorization.

Article 17

Importation Requirements

1. Each Party shall grant preferential tariff treatment in accordance with this Agreement to originating products imported from another Party, within the meaning of Article 15. The importing customs authority may require the import declaration to be accompanied by a statement from the importer to the effect that the products meet the conditions of this Annex.

2. In order to obtain preferential tariff treatment, the importer shall, in accordance with the procedures applicable in the importing Party, request preferential tariff treatment at the time of importation of an originating product, whether or not he has an origin declaration. In the case that the importer at the time of importation does not have in his possession an origin declaration, the importer of the product may, in accordance with the law and regulations of the importing Party, present origin declaration or other documentary evidence of origin and if required such other documentation relating to the importation of the product, at a later stage.

3. Notwithstanding paragraph 1, originating products within the meaning of this Annex shall, in the cases specified in Article 19, on importation benefit from the preferential tariff treatment under this Agreement without it being necessary to submit a document as referred to in paragraph 1.

4. An origin declaration shall be valid for 12 months from the date of issue in the exporting Party.

An origin declaration which is submitted to the customs authority of the importing Party after the final date for presentation specified in paragraph 4 may be accepted for the purpose of

applying for preferential tariff treatment where the failure to submit such a document by the final date set is due to exceptional circumstances.

6. The importing Party shall grant preferential tariff treatment to goods, in cases where the importer does not have the origin declaration at the time of importation, provided that:

- (a) the importer had, at the time of importation, indicated to the customs authority of the importing Party his intention to claim preferential tariff treatment; and

the origin declaration is submitted to the customs authority of the importing country within the time-limit in accordance with the domestic law and regulation in the importing Party.

7. An origin declaration shall be submitted to the customs authority of the importing Party in accordance with the procedures applicable in that Party.

8. Notwithstanding paragraph 1, the granting of preferential tariff treatment may be suspended for a time period not exceeding one month in the case where an importer claiming preferential tariff treatment, on the request of the importing Party's customs authority fails to present an origin declaration or such other documents related to the origin declaration, in accordance with its national law and regulation.

Article 18

Importation by Instalments

Where, at the request of the importer and on the conditions laid down by the customs authority of the importing Party, dismantled or non-assembled products within the meaning of General Rule 2(a) of the HS falling within Sections XVI and XVII or heading Nos 7308 and 9406 of the HS are imported by instalments, a single origin declaration for such products shall be submitted to the customs authority upon importation of the first instalment.

Article 19

Waiver of Origin Declaration

1. Products sent as small packages from private persons to private persons or forming part of travellers' personal luggage shall be admitted as originating products without requiring the submission of an origin declaration, provided that such products are not imported by way of trade and have been declared as meeting the requirements of this Annex and where there is no doubt as to the veracity of such a declaration. In the case of products sent by post, this declaration can be made on a postal customs declaration or on a sheet of paper annexed to that document.

2. Imports which are occasional and consist solely of products for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade

if it is evident from the nature and quantity of the products that no commercial purpose is intended.

3. For the purposes of paragraph 1, in case of small packages sent from private persons to private persons the total value of these products shall not exceed the following amounts:

- (a) 1000 US dollar (USD) for importation in Korea; or
- (b) 500 euro for importation in an EFTA State.

4. For the purposes of paragraph 1, in case of products forming part of travellers' personal luggage the total value of these products shall not exceed the following amounts:

- (a) 1000 US dollar (USD) for importation in Korea; or
- (b) 1200 euro for importation in an EFTA State.

5. Where the value of the products is invoiced or declared in a currency other than those mentioned in paragraphs 3 and 4 the amount equivalent to the amount expressed in the national currency of the importing Party shall be applied.

Article 20

Supporting Documents

The documents referred to in paragraph 7 of Article 15 used for the purpose of proving that products covered by an origin declaration can be considered as products originating in Korea or an EFTA State and fulfil the other requirements of this Annex may consist of *inter alia* the following:

- (a) direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained for example in his accounts or internal bookkeeping;
- (b) documents proving the originating status of materials used, issued or made out in a Party where these documents are used, as provided for in their domestic law;
- (c) documents proving the working or processing of materials in a Party, issued or made out in a Party where these documents are used, as provided for in their domestic law;
- (d) origin declarations proving the originating status of materials used, completed in a Party; or
- (e) appropriate evidence concerning working or processing undergone outside the territories of the Parties by application of Article 13, proving that the requirements of that Article have been satisfied.

Article 21

Record-Keeping Requirements

1. The exporter or the producer making out an origin declaration shall keep for a maximum of five years a copy of the origin declaration in question as well as the documents referred to in paragraph 7 of Article 15.
2. The importer shall keep all records related to the importation in accordance with national laws and regulation.
3. The records to be kept in accordance with paragraph 1 and 2 shall include electronic records.

Article 22

Discrepancies and Formal Errors

1. The discovery of slight discrepancies between the statements made in the origin declaration and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not *ipso facto* render the origin declaration null and void if it is duly established that such document does correspond to the products submitted.
2. Obvious formal errors such as typing errors in an origin declaration should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.