



SCHWEIZERISCHE VERTRETUNG
REPRÉSENTATION SUISSE

in / à S E O U L

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Bundesamt für Aussenwirtschaft			
No.	S. WOI 00		
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EVD - BAWI
Sektion pazifische
Industrieländer
Herr E. Contestabile

Watz

Ihr Zeichen
Votre référence

Ihre Nachricht vom
Votre communication du

Unser Zeichen
Notre référence

Datum
Date

541.0 s.d.-HN/SM

22.4.1991

Gegenstand / Objet Besuch Bundesrat Delamuraz
Antwort des Ministry of Trade & Industry
auf das am 2.4.1991 eingereichte Memorandum

Als Beilage erhalten Sie die in koreanischer Sprache erhaltene Antwort des MTI auf unsere Eingabe vom 2.4.1991 zusammen mit der von meinem Mitarbeiter, Herr Hahn, erstellten englischen Uebersetzung.

Bei der Uebergabe der Antwort an meinen Mitarbeiter, Herr Hagmann, wies Herr Yoon, Jong-Yeon, Deputy Director, Europe Division, International Trade Promotion Bureau, darauf hin, dass in diesem Zusammenhang berücksichtigt werden müsse, dass die von Schweizer Seite aufgeworfenen Fragen nicht nur die Beziehungen zwischen Korea und der Schweiz betreffen würden, weshalb sich das MTI ausserstande sehe, für die Schweiz bei Vorschriften, welche für alle Länder Gültigkeit hätten, Ausnahmen zu gestatten. Auf vielen Gebieten - so führte Herr Yoon weiter aus - befände sich die koreanische Industrie noch auf schwachen Füßen und bedürfe vorläufig noch des Schutzes der Regierung, was eine weitergehende Oeffnung des Marktes bzw. die zusätzliche Senkung der Zölle und Taxen ausser Plan zur Zeit ausschliesse.

DER SCHWEIZERISCHE BOTSCHAFTER

W. Fetscherin

W. Fetscherin

Beilage erwähnt



541.0 - HA/SM

April 17, 1991

This is the unofficial translation of the reply in Korean from the Ministry of Trade & Industry in response to the memorandum submitted to the Deputy Prime Minister on the occasion of the visit of Federal Councilor Delamuraz from 1-4, April 1991.

1. About the demand for reduction of taxes on the imports of finished watches.
 - The import duty for the finished watch is scheduled to lower to 8% by 1994.
 - The special excise tax rate for watches has already been lowered from 30% to 20% in recent years. In addition, the exemption limit from the special excise tax has considerably increased from 150,000 Won to 400,000 Won in terms of retail price.
2. About the demand to abolish the "recommendation system" applied to the import of silk fabrics.
 - The "recommendation system" is an inevitable measure in order to protect local petty sericulturists.
3. About the demand to abolish the regulation on mandatory marking at every two meters for woolen fabrics.
 - Under the current Industrial Products Quality Control Act, the mandatory marking system is applied not only to the imported woolen fabrics, but also is applied equally to the locally made woolen fabrics. This system is an inevitable measure to protect local consumers taking into account the latter's purchasing habit.
4. About the demand to allow "design protection" to foreigners.
 - The "design protection" system under the Foreign Trade Act (Art. 49) is designed to aim at locally made goods for export purpose only. Therefore, the "design protection" system has nothing to do with "design protection" of the goods for sale in the domestic market.
5. About the demand for exemption of clinical tests at the time of imports of Swiss made pharmaceuticals.
 - The clinical test is a necessary procedure to ascertain whether the pharmaceuticals to import are suitable for the physical constitution of Korean people.

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However, the clinical test is supposed to be taken only for the pharmaceuticals which have been for less than 3 years since their development or which have so far been sold only in Switzerland.

6. About the demand for recognition of imported pharmaceuticals as eligible for refund of the fee for medical treatment under the medical insurance system.

- Under the current medical insurance system, the refund is being implemented for the imported pharmaceuticals as well.

7. About the demand for improvement in the procedure of inspection for the imports of biological and antibiotic preparations.

- Those items are classified as pharmaceuticals subject to mandatory state inspection for the sake of national health. (The similar system is implemented in Japan). Therefore, the inspection system can not be abolished. However, more efforts will be made in order to further simplify the procedures of inspection in consultation with the Ministry concerned.

8. About the demand for liberalization of importation as well as foreign investment in manufacturing and distribution of agrochemicals and veterinary preparations.

1) Agrochemicals

- Importation of agrochemicals is scheduled for complete liberalization by 1993 (At present, 299 items are liberalized for import out of 467 items)

- There is no restriction on the foreign investment in local manufacturing of agrochemicals.

- Distribution business for agrochemicals is restricted to foreign investment. Such restriction is inevitable for the time being because local companies in this field are still of cottage industry.

2) Veterinary preparations

- Importation of veterinary preparations is fully liberalized

- There is no restriction on the foreign investment in local manufacturing of veterinary preparations.

- As to the distribution business of veterinary preparations, wholesaling has been opened to foreign investment, but retailing business is inevitably restricted to foreigners for the time being.

9. About the demand to abolish the price posting system with imported goods.

- Price posting system is designed to aim at protection of consumers by informing latter of the difference between retail price and ex-factory price/import price. The system is applied not only to imported goods but also to locally produced goods. Therefore, the implementation of the system is in accordance with the "principle of national treatment" of GATT.
- Both import price and ex-factory price are of the same kind from the viewpoint that both of them are the first price before entering distribution channels. Therefore, there is no discriminatory factor in the price posting system against imported goods.
- As a matter of fact, most of the imports of the items, which come under the price posting system, have been continuously increased even after the system began to be implemented for importation. Therefore, it is groundless to allege that foreign goods have been uniformly damaged by the system.
- The price posting system has been in force since 1979, but imported goods had been exempted from the system until March 1990.