
CUSTOMS REGULATIONS IN THE MT. KUMGANG SPECIAL ZONE FOR INTERNATIONAL TOURISM

Adopted by Resolution No. 73 of the Presidium of the Supreme People's Assembly on November 29, 2011

Chapter 1 Generals

Article 1 (Objective)

These Regulations are formulated for the purpose of providing strict guidelines for the customs administration, thereby efficiently ensuring the entry and exit of persons and vehicles, and the inward and outward movement of goods.

Article 2 (Applicability)

These Regulations shall be applicable to the DPRK citizens, foreigners, south Koreans and overseas Koreans (the individuals) that enter or depart from the Mt. Kumgang Special Zone for the International Tourism (the SZIT).

These Regulations shall also be applicable to the businesses and branches (agencies and offices included) that bring in or take out goods and postal matter for the development and management of the SZIT or use automobiles, ships, railway trains, airplanes and other conveyance.

Article 3 (Establishment of customs)

Customs shall be established at the international airports, railway stations, seaports, overland immigration points and other places as may be required.

Individuals, conveyance, goods and postal matter entering or leaving the SZIT may immigrate only through the point where customs is established.

Article 4 (Declaration of inward or outward goods)

Goods brought into or taken out of the SZIT shall be declared.

Where goods brought into the SZIT are to be taken out to a certain area of the DPRK outside the SZIT, customs formalities shall be carried out as prescribed.

Article 5 (Customs registration)

Businesses and branches in the SZIT shall not bring in or take out materials needed for their business operation without making customs registration.

Article 6 (Contrabands)

Such materials that are detrimental to the national security, social and moral life, people's health and environmental protection shall not be brought into or taken out of the SZIT.

The list of contrabands shall be appended to these Regulations.

Article 7 (Application of relevant laws and regulations)

Matters not covered by these Regulations shall be governed by the relevant law and regulations.

Chapter 2 Customs Registration and Formalities

Article 8 (Customs registration, performing of formalities)

Customs registration and formalities in the SZIT shall be carried out by the business or the branch concerned.

In case of need, agents may perform customs registration and formalities.

Article 9 (Prescribed period for customs registration)

Businesses and branches shall make customs registration within 20 days of obtaining approval for the establishment of a business or a branch.

Article 10 (Submission of application)

Businesses and branches that wish to make customs registration shall submit to the customs an application to that effect.

The application shall be accompanied by a copy of registration certificate of a business or a branch, design of an official seal and stamp and other documents required by the customs.

Article 11 (Issuance of customs registration certificate)

The customs shall, within 7 days of receiving an application for customs registration, issue to the business or branch concerned a customs registration certificate.

Article 12 (Notification of change of business category)

The SZIT management committee shall, upon approving the change of the business category of a business, notify the matter to the customs in good time.

Article 13 (Registration of vehicles)

Such vehicles as automobiles and ships that frequent the SZIT shall be registered with the customs.

The vehicles registered with the customs shall be exempt from customs formalities.

Article 14 (Application for registration of vehicles)

Businesses, branches and individuals that wish to register their vehicles shall file with the customs an application to that effect.

The application shall contain the number and description of a vehicle, the unit it belongs to, year of manufacture, engine displacement, loading or passenger capacity, purpose and section of the operation and validity.

Article 15 (Submission of declaration of goods to be brought in or taken out)

Businesses and branches may, with the exception of contrabands, freely bring in or take out materials needed for business operation.

Where materials are to be brought in or taken out, a declaration shall be submitted to the customs, specifying the description, quantity, size, price, places of departure and arrival, consignor and consignee.

Article 16 (Declaration of goods transported by airplanes, railway trains or ships)

Customs declaration of the materials transported by airplanes shall be made by the international airport, materials transported by railway trains by the railway station concerned and the cargo on a ship by the captain of the ship concerned.

The international airport, railway station and the captain of a ship shall, immediately upon the arrival of the airplane, train, and ship at the destination, submit to the customs a combined declaration, a document of aggregate load, a list of loaded goods, a transportation plate and a manifest.

Article 17 (Declaration of postal matter)

Customs declaration of the postal matter shall be made by the post office in the SZIT. In this case the post office shall, upon arrival of the postal matter, surrender the invoice to the customs.

Customs declaration of the postal matter to be taken out shall be made by the business, branch, individual or his agent.

Article 18 (Declaration of personal effects)

Individuals entering or departing from the SZIT shall declare their personal effects.

In the case of a family or group traveling, declaration may be made in one combined form.

Article 19 (Bringing in or taking out of foreign currency)

Foreign currency may taken out or brought into the SZIT without any restrictions provided that they are declared to the customs.

Chapter 3 Customs Inspection and Supervision

Article 20 (Organ charged with customs inspection and supervision)

Customs inspection and supervision of the inward or outward goods, international postal matter, personal effects and vehicles shall be conducted by the customs office of the SZIT.

Article 21 (Point of inspection of inward or outward goods)

Customs inspection of the inward or outward goods shall be conducted at the point of arrival or departure of the goods concerned.

Where necessary, customs inspection may be conducted at the customs route.

Article 22 (Method of inspection of inward or outward goods)

Customs inspection of the inward or outward goods shall be made when they are being loaded onto or unloaded from a vehicle by checking a part or whole of them against the written declaration.

Article 23 (Inspection of postal matter)

Customs inspection of the postal matter shall be made at the designated place of the post office in the presence of the agent in charge of the postal matter or the owner thereof, or his agent.

The post office shall not hand over or send out of the SZIT the postal matter that has not undergone customs inspection.

Article 24 (Inspection of personal effects)

Personal effects (checked baggage included) shall be inspected by means of a machine.

Where inspection by a machine is impossible or something unusual is noticed in the personal effects or baggage in the course of the inspection, the object concerned shall be unpacked for inspection.

Article 25 (Point of inspection of vehicles)

Customs inspection of vehicles shall be conducted at the the international airports or customs route of railway stations, seaports or overland customs offices.

Vehicles that have arrived at the customs route shall not leave the customs area without the permission the customs.

Article 26 (Supervision of transport of goods)

The customs shall supervise the transport of goods from the customs route to the point of arrival or from the point of departure to the customs route.

Article 27 (Seal of the customs)

The customs may, for the purpose of supervision, put seals on the wagons, containers and covered wagons.

The seals shall not be taken off without the permission of the customs.

Article 28 (Inspection of goods for transit shipment or transit goods)

Goods for transit shipment or goods transiting the SZIT shall be exempt from customs inspection. Where, however, an accident has occurred or there is evidence to believe that they contain contrabands, customs inspection shall be made.

Article 29 (Conveyance of inward or outward goods)

Businesses, branches or individuals shall use containers or covered wagons in case they are bringing in or taking out materials by automobiles or railway trains.

Goods in bulk or of small amount may be carried by vehicles other than containers or covered wagons.

Article 30 (Cooperation in inspection and supervision)

Businesses, branches and individuals shall render cooperation in the inspection and supervision conducted by the customs.

Article 31 (Establishment of bonded exhibition hall and warehouse)

Bonded exhibition hall and warehouse may be set up and operated in the SZIT.

Bonded materials shall be brought in or taken out, and materials in the bonded warehouse sorted and repacked under the supervision of the customs.

Chapter 4 Customs Duties and Fees

Article 32 (Principle of exempting or imposing customs duties)

Customs duties shall not be imposed on the goods needed for the development and management of the SZIT and business operation therein, office articles and daily necessities for the investors, fuel and spare parts for the vehicles entering or leaving the SZIT and foodstuff for the crew.

Where goods that were exempted from customs duties are sold or taken to the DFRK territory outside the SZIT, customs duties shall be payable.

Article 33 (Issuance of notice of payment of customs duties)

Where the customs duties are to be imposed, the customs office shall issue a notice of customs duties payment to the business, branch or individual concerned.

Article 34 (Standard price for imposition of customs duties, calculation thereof)

The standard price for the imposition of customs duties in the SZIT shall be the price of the goods at the time of their arrival at the SZIT.

Customs duties shall be calculated by reference to the prevailing tariff rate.

Article 35 (Payment of customs duties)

Businesses, branches and individuals shall, upon receipt of a notice of customs duties payment, pay the customs duties to the designated bank. In this case, the bank shall issue to the payer a bill of customs duties payment, and the customs duties so paid shall be placed in the designated account.

Article 36 (Refund or additional imposition of customs duties)

A business, branch or individual that has paid the customs duties in excess of the amount due shall apply to the customs for the refund of the overpaid amount within 1 year of payment of the customs duties. In this case, the customs shall examine the application within 1 month and either make or refuse a refund.

In case of shortfall, supplementary customs duties shall be imposed within 1 year of clearing the goods concerned.

Article 37 (Customs fees)

Businesses, branches and individuals shall, upon being issued a customs registration certificate and vehicle registration certificate, pay the fees to the customs.

The fees shall be prescribed by the State price fixing organ.

Chapter 5 Sanction, Appeal

Article 38 (Detention, fines)

Goods, vehicles and personal effects that are brought in or taken out in violation of these Regulations shall be liable to seizure.

Intentional violation of these Regulations shall lead to fines.

Article 39 (Forfeiture)

Smuggled goods, and controlled goods and contrabands brought in or taken out illegally shall be forfeited.

Vehicles used for the smuggling may also be forfeited.

Article 40 (Complaint, settlement thereof)

Any complaint concerning the work of the customs of the SZIT shall be filed with the customs.

The customs shall conduct investigation and settle the complaint within 15 days of receipt thereof.

Appendix

1. Goods that are not allowed in the SZIT

1) Weapons, bullets, explosives (with the exception of dynamite, detonator and triggering line for which permission is obtained for the purpose of carrying out a construction work), munitions and lethal weapons;

2) Wireless radios and components thereof;

3) Poisonous drugs, powerful drugs, narcotic drugs, radioactive substances and toxic materials;

4) Printed materials (copies thereof included) or manuscripts thereof, films, pictures, sound or video recordings, works of fine arts, craft works, sculptures and electronic medium containing thereof that are likely to have a bad effect on social and moral life

5) Designated goods brought in from the area where contagious disease has broken out; and

6) Goods whose bringing in is prohibited by agreement.

2. Goods that are not allowed out of the SZIT

1) Weapons, bullets, explosives, munitions and lethal weapons;

2) Wireless radios and components thereof;

3) Poisonous drugs, powerful drugs, narcotic drugs, radioactive substances and toxic materials;

4) Historic relics;

5) Documents belonging to the category of confidential documents or containing thereof, printed matter (copies thereof included), manuscripts thereof, films, pictures, sound and video recordings, electronic medium; and

6) Goods whose bringing in is prohibited by agreement.