

Action Agenda for Improvement of The Business Environment

December, 2008

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0. Overview (Background and Objectives)

In October 2003, the leaders of the People's Republic of China, Japan, and the Republic of Korea, decided to launch an informal joint study on the possible modality of trilateral investment arrangements. In 2004 the Joint Study Group (JSG) of members from China, Japan and Korea composed of representatives from the government, business, and academia conducted a joint study.

At the summit meeting held in November 2004, the leaders of the three countries reached a consensus on implementing JSG's suggestions in order to further improve the business environment and enhance investment among the three countries.

The mechanism for improvement of the business environment was launched in May 2005 that aims at transparency in laws and regulations including a public comment system and a system that responds to questions concerning the status of applications to the governments; protection of intellectual property rights (IPRs); a dispute consultation mechanism including at the local level; promotion of investment and relevant services; coherence of national and local administration, and others. The governments of the three countries have discussed the improvement of the business environment based on the Joint Study Group Report and announce this Action Agenda for the improvement of the business environment.

The three countries are determined to implement the measures on this Action Agenda to improve the business environment. The three countries have designated contact point(s), personnel or website channels to answer questions concerning the Action Agenda and receive public comments. The Action Agenda will be revised periodically to incorporate additional measures based on inputs from the business sector in the three countries.

The Action Agenda, the revision of it and the follow up of the implementation will be reported annually to the ministers of three countries, and other leaders as appropriate.

1. The People's Republic of China

1-1. Details of measures for improvement of business environment

a. Transparency of laws and regulations

ACTION	IMPLEMENTATION
1. To establish an information exchange system among the three countries with a view to providing prompt investment-related information including the details of regulations, criteria, and procedures	<i>Invest in China</i> was linked up with <i>Japan-China Investment Promotion Organization, Japan-China Economic Relations and Trade Center, Invest KOREA</i> which can be accessed at http://www.fdi.gov.cn
2. Measures to respond to specific questions concerning rules and regulations	The websites of MOFCOM and "Invest In China" set up specific columns, such as "Enquiry Online" and "Public Comments", which are in charge of responding to inquiries. MOFCOM http://www.mofcom.gov.cn Invest in China http://www.fdi.gov.cn
3. To introduce a public comment system	Administrative Licensing Law (2004) Where an administrative license is to be established by means of drafting a law, a regulation or a regulation of the people's government of a province, autonomous region or municipality directly under the Central Government, the drafting entity shall consult the opinions through hearing and argumentation, etc., and shall give explanations to the law (regulation) making organ about the necessity to establish the administrative license, the potential effects on the economy and society and the opinions heard and adopted. (Article 19)

<p>4. To make an unequivocal commitment that those laws and regulations pertaining to or affecting investment are published or made available to other members</p>	<p>China has promised to publish all laws and regulations pertaining to or affecting investment on China's WTO accession. Laws and regulations concerning foreign investment are made public on the websites of MOFCOM and "Invest In China".</p> <p>MOFCOM http://www.mofcom.gov.cn</p> <p>Invest China http://www.fdi.gov.cn</p>
<p>5. To Make an unequivocal commitment that people or companies shall not be disadvantaged for not following administrative guidance which is not specifically based on laws or regulations or for raising legitimate concerns including IPR infringements</p>	<p>Administrative Licensing Law (2004)</p> <p>The establishment and implementation of administrative licensing shall be in accordance with the statutory authority, scope, conditions and procedures (Article 4).</p> <p>The establishment and implementation of administrative licensing shall follow the principles of openness, fairness and impartiality (Article 5).</p> <p>Citizens, legal persons and other organizations shall enjoy the right to state their views and plead their case with regard to the implementation of administrative licensing by administrative authorities. They shall have the right to apply for administrative review or to initiate an administrative proceeding in accordance with the law. If their lawful rights and interests are harmed due to illegal implementation of administrative licensing by administrative authorities, they shall have the right to request for compensation (Article 7).</p>
<p>6. To adopt a system which responds to questions concerning the status of applications to the governments after the period of time stipulated in the relevant laws and regulations has passed</p>	<p>Administrative Licensing Law (2004)</p> <p>An administrative authority must give feedback to applicants within the time limits stipulated by relevant laws and regulations. If an applicant that satisfies the statutory conditions is not granted an administrative license, or a decision to grant administrative license is not made within the stipulated time limit, the administrative authority at the level above or the supervisory authority shall order rectification and impose administrative penalty on the persons directly in charge and other directly responsible personnel. If a criminal offence is constituted, the criminal liability shall be pursued in accordance with the law. (Article 74)</p>

7. To provide a clear explanation, preferably in written form, when declining requests for licenses or authorization	<p>Administrative Licensing Law (2004)</p> <p>Whether an administrative authority accepts or rejects an application, it shall issue a written certificate stamped with the seal of the administrative authority and with clear indication of the date(Article 32).</p>
8. To establish a system which endeavors to respond to relevant questions raised by investors.	<p>1. Government website response system. The websites of MOFCOM and "Invest In China" set up specific columns, such as "Enquiry Online" and "Public Comments", which are in charge of responding to inquiries.</p> <p>MOFCOM http://www.mofcom.gov.cn</p> <p>Invest in China http://www.fdi.gov.cn</p> <p>2. Investment Promotion Agency of MOFCOM, the Association of Foreign Investment Enterprises, and more than 30 organizations specialized in foreign investment promotion in different areas of China provide comprehensive services for foreign investors who invest in China.</p>
9. To introduce measures to respond to questions concerning the interpretation and details of rules and regulations	<p>1. Under the investment promotion mechanism, China-Japan Investment Promotion Joint Conference, China-Korea Investment Promotion Joint Conference, and enterprises' investment experience exchange meetings are held annually.</p> <p>2. The websites of MOFCOM and Invest in China set up specific columns, such as "Enquiry Online" and "Public Comments", which are in charge of responding to inquiries.</p> <p>MOFCOM http://www.mofcom.gov.cn</p> <p>Invest China http://www.fdi.gov.cn</p>
10. To answer questions concerning the status of applications or the responses to allegations of IPR infringement	<p>1. In the process of examination and approval, applicants can ask the authorities concerned about the status of application.</p> <p>2. Allegations of IPR infringement can be made to judicial organs or government authorities in accordance with Chinese laws and regulations, and the organizations concerned will give response.</p>

<p>11. To introduce a system to appeal and review administrative decisions</p>	<p>Administrative Appeal Law (2004)</p> <p>When a citizen, legal person, or organization believes that some specific administrative action has infringed his legal rights, he can require relevant administrative organs to review and adjudicate on the legitimacy of the administrative action.</p>
<p>12. Transparency and predictability of taxation</p> <p>-In the process of stipulation or revision of laws and regulations, public opinions will be solicited or adopted.</p> <p>-Before the enforcement of laws and regulations, there will be a public comment period.</p>	<p>1. According to laws and regulations, when formulating new taxation laws or making major amendments to the current taxation laws, relative authorities will solicit views of tax payers when necessary.</p> <p>2. According to China's WTO commitments, China undertakes that only those laws, regulations and other measures pertaining to or affecting trade in goods, services, TRIPS or the control of foreign exchange that are published and readily available to other WTO members, individuals and enterprises, shall be enforced. In addition, China shall make available to WTO members, upon request, all laws, regulations and other measures pertaining to or affecting trade in goods, services, TRIPS or the control of foreign exchange before their execution or enforcement. In emergency situations, laws, regulations and other measures shall be made available at the latest when they are implemented or enforced.</p> <p>3. Once formulated, laws and regulations shall be made public by newspaper, website (http://www.chinatax.gov.cn), or announcement.</p>
<p>13. Effectiveness and transparency of legal proceedings</p> <p>- Make public all of the decisions by the court.</p> <p>- Ensure full enforcement of court rulings.</p>	<p>1. The principle cases have been made public by the Supreme Court of the People's Republic of China.</p> <p>2. For the execution of court, China has promulgated the Provisions of the Supreme People's Court on Several Issues Concerning the Execution Work of the People's Court in 1998.</p> <p>3. If a court ruling is not fully enforced, the person concerned can apply for arbitrary enforcement.</p>

<p>14. Government procurement</p> <ul style="list-style-type: none"> -Enhance transparency in government procurement. -Promptly participate in the Government Procurement Agreement. 	<ol style="list-style-type: none"> 1. In Paragraph 339 of the Report of the Working Party on the Accession of China, China commits to conduct procurement in a transparent manner, and provide all foreign suppliers with equal opportunity to participate in that procurement pursuant to the principle of MFN treatment. 2. In Paragraph 341 of the Report of the Working Party on the Accession of China, China commits to become an observer to the GPA upon accession to the WTO and initiate negotiations for membership in the GPA as soon as possible. 3. On Dec. 28th 2007, the Chinese government has formally launched the GPA accession negotiations by submitting the GPA application and the initial offer to the WTO. From Feb. 18 to 20 of 2008, the Chinese government has held the first round of negotiations with GPA members in Geneva.
<p>15. To make public all laws and regulations related to foreign investment in a timely and accurate manner through a unified platform.</p>	<p>The website of Invest in China (http://www.fdi.gov.cn) publicizes all laws and regulation related to foreign investment.</p>
<p>16. To standardize the enforcement and inspection on foreign enterprises</p> <ul style="list-style-type: none"> -clarify conditions and procedures of enforcement and inspection -make the notification with regard to inspection results as soon as possible -ensure appeal rights for the persons who have been inspected 	<p>To strictly abide by the Agreement between China and Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and the Agreement between China and Korea for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income.</p> <p>Tax examinations, tax criminal investigation and other administrative inspections are conducted equally, fairly and indiscriminately against entities or persons involved regardless of the nationality or the degree of ownership by Japanese entity/entities and/or by Korean entity/entities. The transparency of the related laws and regulations will be heightened continuously.</p>

-prohibit groundless fining or searching (especially, tax inspection)

Law of the People's Republic of China to Administer the Levying and Collection of Taxes (revised in 2001),

Chapter 6 Tax Investigation

Chapter IV Tax Inspection

Article 54 A tax authority shall have the rights to conduct the following tax inspections:

- (1) to inspect a taxpayer's accounting books, supporting vouchers for the accounts, statements and the relevant information; to inspect a withholding agent's accounting books, supporting vouchers for the accounts and the relevant information in respect of the amount of taxes withheld and remitted or collected and remitted;
- (2) to inspect a taxpayer's taxable commodities, goods or other properties at the taxpayer's places where production or business operations are conducted and the places where goods are stored; to inspect a withholding agent's operational conditions in respect of the withholding and remittance of taxes or the collection and remittance of taxes;
- (3) to order a taxpayer or withholding agent to provide the documents, evidentiary materials and information relating to the payment of taxes or the amount of taxes withheld and remitted or collected and remitted;
- (4) to make inquiries of a taxpayer or withholding agent regarding the relevant issues and circumstances relating to the payment of taxes or the amount of taxes withheld and remitted or collected and remitted;
- (5) to inspect supporting documents, vouchers and information relating to the taxable commodities, goods or other properties transported by consignment or sent by post by a taxpayer at railway stations, docks, airports, postal services and the branches thereof;
- (6) upon approval of the commissioner of a tax bureau (or a sub-bureau thereof) at the county level or above, to inquire about the deposit accounts that a taxpayer engaged in production or business operations or a withholding agent has opened with the bank or other financial institution, by the nationally uniform permit for the inspection of deposit accounts; when investigating a case in violation of tax laws, a tax authority may, upon approval of the commissioner of a tax bureau (or a sub-bureau thereof) of a city divided into districts or an autonomous prefecture or a level above, inquire about the savings and deposits of the suspects in the case. The information obtained by tax authorities through inquiry shall not be used for purposes other than taxation.

	<p>Article 55 Where a tax authority finds that the taxpayer has any act of evading tax payment obligations, and has obvious evidence that the taxpayer has transferred or concealed its taxable commodities, goods and other properties, or taxable income, when conducting a tax inspection on the tax payment of a taxpayer engaged in production or business operations during the past tax payment period in accordance with the law, the authority may adopt preservative measures of taxation or mandatory enforcement measures in accordance with the approved scope of power prescribed in this Law.</p> <p>Article 56 Taxpayers or withholding agents must accept the tax inspections by the tax authorities in accordance with the law, provide the facts accurately and the relevant information, and shall not refuse to cooperate with the authority or conceal any facts.</p> <p>Article 57 When the tax authority makes tax inspections in accordance with the law, it shall have the right to investigate relevant entities and individuals about the information of the taxpayers, withholding agents and other parties relating to tax payment and taxes withheld and remitted or collected and remitted. The relevant entities or individuals shall be obligated to truthfully provide the relevant information and evidentiary materials to the tax authority.</p> <p>Article 58 When investigating a tax case in violation of the law, the tax authority may record, tape-record, video-tape, photograph and reproduce the relevant information and material in respect of the case.</p> <p>Article 59 When making tax inspection, the officials of the tax authorities shall produce tax inspection identity cards and tax inspection notices, and shall be responsible for maintaining confidentiality for the persons under investigation; where such an official does not produce any tax inspection identity card or tax inspection notice, the party that is to be inspected shall have the right to refuse the inspection.</p>
<p>17. To introduce the system in order to indicate incomplete applications.</p>	<p>Administrative Licensing Law (2004)</p> <p>Where the application materials are incomplete or do not conform to the statutory format, they shall for once notify the applicant of all contents that must be supplemented or corrected on the spot or within five days. If they fail to do so within the time limit, the application shall be deemed as being accepted as of the day of receipt of the application materials (Article 32).</p>

b. Protection of intellectual property rights (IPRs)

ACTION	IMPLEMENTATION
1. The IPR authorities of the three countries should pay special attention to and strengthen cooperation on the issues related to IPR protection	<p>The trilateral meeting has been held among the commissioners of the KIPO, JPO and SIPO annually since 2001.</p> <p>The copyright administrations of China and Japan meet regularly, and in 2003, the Chinese National Copyright Administration and Japanese Ministry of Culture signed the Copyright Agreement on Copyright and Neighboring Rights.</p> <p>The Bilateral Joint Economic and Trade Commission covers the subject of IPR.</p>
2. To establish a court system specializing in disputes over intellectual property rights	<p>Special judicial tribunals for IP cases have been established at courts at all levels in China.</p>
3. To enhance national laws and regulations in the field of copyrights, trademarks and patents to prevent violation of intellectual property rights including illegal online copies	<p>China has gradually established and improved its legal system in terms of IPR protection. These laws mainly include: Trademark Law of the People's Republic of China, Patent Law of the People's Republic of China, Copyright Law of the People's Republic of China. In May 2006, the Regulation on the Protection of the Right to Network Dissemination of Information was adopted. In December 2006, the Standing Committee of the National People's Congress ratified China's accession to the WIPO Copyright Treaty and WIPO Performance and Phonograms Treaty.</p>
4. To review administrative penalties (upgrading minimum level of non-penal fines), criminal penalties (expanding scope) and level of compensation for damages	<p>The Supreme People's Court and the Supreme People's Procuratorate promulgated the Interpretations on Several Issues of Concrete Application of Laws in Handling Criminal Cases of Infringing Intellectual Property in 2004 and the Interpretations on Several Issues of Concrete Application of Laws in Handling Criminal Cases of Infringing Intellectual Property II in 2007 to lower the threshold of criminal punishment for intellectual property violations and expand the scope of criminal protection in intellectual property.</p>

<p>5. To establish cooperative network relating to violation of intellectual property rights in cross-border cases</p>	<p>The national Working Team of Intellectual Property Right Protection has established a coordination mechanism with foreign invested enterprises on a regular basis. A meeting will be held quarterly to (1)solicit views and suggestions on Chinese government’s work on intellectual property right protection , and (2) exchange information on important cases raised by foreign invested enterprises.</p>
<p>6. To establish help-desk(s) to receive complaints from foreign investors</p>	<p>With relevant authorities, the Office of the National Working Group on Intellectual Property Right Protection has set up IPR service Centers in 50 Chinese cities, opened a supervision hotline 12312, and set up complaint column on internet. Investment Promotion Agency of MOFCOM has established Claim Centers for foreign investment enterprises, and there are claim centers in most provinces and cities to receive complaints from foreign investors.</p>
<p>7. To raise awareness of businesses and consumers regarding Intellectual Property Rights</p>	<p>The Chinese government adopts a series of publicity measures, which mainly include: hold “Intellectual Property Right Protection Week”, launch “Intellectual Property Right Protection Website”, intensify legal publicity activities (especially for new laws and regulations) via news coverage, television and broadcasting, and symposia, and make legal education concerning intellectual property part of national legal publicity agenda, strengthen supervision of public opinion, expose some influential typical cases through news media, which has produced a deterrent and preventive effect upon criminal activities and malpractice.</p>

c. Consultation mechanism including at the local level

ACTION	IMPLEMENTATION
1. To establish Claim Centers by each country	The Investment Promotion Agency of MOFCOM has established a central-level claim center for foreign investment enterprises, and there are claim centers in most provinces and cities to receive complaints from foreign investors.
2. To establish a Dispute Consultation mechanism between local governments and foreign business communities. Such activities would be redoubled and conducted further by other local governments	<p>The Investment Promotion Agency of MOFCOM has established nationwide Claim Centers for foreign investment enterprises. And most provinces or cities have established such claim centers to serve as dispute consultation channels.</p> <p>1. Claim Center of Investment Promotion Agency of MOFCOM Contact person: Liu Kai Tel: 010-85226704 Fax: 010-85226217</p> <p>2. Beijing Claim Center for Foreign Enterprises: Contact person: Lu Yi Tel: 010-65543163 Fax: 010-65543161</p> <p>3. Shanghai Claim Center for Foreign Enterprises: Contact person: Xiang Changqing Tel: 021-62751473 Fax: 021-62751423</p> <p>4. Tianjin Claim Center for Foreign Enterprises: Contact person: Zhao Fahao Tel: 022-23201736 Fax: 022-23317232</p> <p>5. Chongqing Claim Center for Foreign Enterprises: Contact person: Wei Dehui Tel: 023-89018222 Fax: 023-89018222</p> <p>6. Guangdong Claim Center for Foreign Enterprises: Contact person: Zhang Jianjun Tel: 020-38819397 Fax: 020-38819393</p>

3. To establish a Dispute Consultation mechanism in national and local governments	The Investment Promotion Agency of MOFCOM has established a central-level Claim Center for foreign investment enterprises.
4. To establish local help-desks for claimants	Local claim centers receive complaints and provide assistance for enterprises with foreign investment.
5. Effectiveness of dispute consultation - Ensure timely and complete feedbacks, in written form, to claims made to Claim Centers	China will strengthen the function of claim centers to give feedback in written form in a timely manner.

d. Promotion of investment and relevant services

ACTION	IMPLEMENTATION
1. To build and expand "one stop service center" for central or local governments of each country	Most provinces, cities and counties have set up "one stop service center". For example, "One stop service center" of Suzhou Industrial Park and Shanghai Chemical Industry Park. Beijing, Shenzhen, Dalian, Chongqing, Tianjin, Mudanjiang, Tibet and other areas have set up "One stop service center". More "One stop service centers" will be set up to meet the needs of development in the future.
2. To cooperate further in the investment promotion activities such as investment fairs and marts	China-Japan Investment Promotion Organization and China-Korea Investment Promotion Organization endeavor to strengthen cooperation in investment promotion activities.
3. To simplify approval and license procedures for investment	Administrative Licensing Law (2004) Administrative Licensing Law standardizes and simplifies the establishment and implementation of administrative licensing, safeguards and supervises effective implementation and administration by administrative authorities.
4. To reinforce functions of one-stop-centers and establish their international linkages	The functions of one-stop-centers have been strengthened and international linkages through the website have been established.

<p>5. To further enhance deregulation (distribution (retailing, wholesale), financial, insurance and travel services. M&A based investments. Opening of domestic stock market(s) for foreign capitals. Abolishing restrictions on foreign capital ratio, etc.)</p>	<p>According to the Protocol of China's WTO accession, the market access limitations on retail, wholesale, financial, insurance and travel services will be relaxed according to the schedule. The "Regulations on Management of Foreign Investment in the Commercial Sector" issued in June 2004 has fulfilled the WTO distribution rights commitment.</p> <p>The Regulations of the People's Republic of China for the Administration of Foreign Banks, the Implementation Rules of the Regulation of the People's Republic of China for the Administration of Foreign Banks, Regulations of the People's Republic of China for the Administration of Foreign Insurance Companies, the Implementation Rules for the Implementation of the Regulations of the People's Republic of China for the Administration of Foreign Insurance Companies have further eased the restrictions on operation regions, business scope, shareholding proportions for financial and insurance institutions with foreign investment, and simplified examination and approval procedures.</p>
<p>6. To reduce the scope of activities that requires licenses or authorization</p>	<p>The amended 2007 Industrial Catalogue for the Guidance of Foreign Investment has reduced the number of restricted industries with foreign investment and opened more industries for foreign investors.</p> <p>The 2004 State Council's Decision on Reforming the Investment Regime has simplified examination and approval procedures for the establishment of foreign investment enterprises.</p> <p>The Regulations of the People's Republic of China for the Administration of Foreign Banks, the Implementation Rules of the Regulation of the People's Republic of China for the Administration of Foreign Banks, Regulations of the People's Republic of China for the Administration of Foreign Insurance Companies, the Implementation Rules for the Implementation of the Regulations of the People's Republic of China for the Administration of Foreign Insurance Companies have further eased the restrictions on operation regions, business scope, shareholding proportions for financial and insurance institutions with foreign investment, and simplified examination and approval procedures.</p>

<p>7. To clarify conditions and simplify procedures of license issuance, document submission, examination and approval of the establishment of enterprises with foreign investment. To ensure that foreign enterprises have the right to submit applications to relevant authoritative organizations without entrusting any designated agencies</p>	<p>China has clear stipulations for the establishment of foreign enterprises. And enterprises with foreign investment can submit applications to relevant authorities independently.</p>
<p>8. To establish dialogues between the Government and business, and endeavor to solve problems for companies in an effective and timely manner</p>	<p>Under the China-Japan and China-Korea investment promotion mechanisms, the Chinese government holds dialogues with enterprises regularly to solve their problems and listen to their suggestions.</p>
<p>9. To provide assistance for foreign investors to identify business partners.</p>	<p>China holds fairs and seminars to provide project match-making services for domestic and foreign investors. There is a column of "Investment Opportunities" on the website of Invest in China (www.fdi.gov.cn), where project information in different industries is provided.</p>

e. Coherence of national and local administration

ACTION	IMPLEMENTATION
<p>1. To promote coherence of national and local administration, including consistency in the implementation of rules and regulations at both a national and local government level</p>	<p>After China's accession to the WTO, the central and local governments have revised or annulled administrative regulations and rules inconsistent with China's WTO obligations.</p> <p>The national government has implemented training programs for national and local governments in all areas including enforcement of laws and regulations.</p>
<p>2. To train officials at the local level.</p>	<p>The national government has implemented training programs for national and local governments at all angles including enforcement of laws and regulations.</p>
<p>3. To provide details of regulations, criteria, and procedures to the public promptly</p>	<p>In Paragraph 334 of the Report of the Working Party on the Accession of China, China commits to make available to WTO members all laws, regulations and other measures pertaining to or affecting trade in goods, services, TRIPS or the control of forex.</p> <p>Before the implementation of laws and regulations related to foreign investment, "comment period" will be provided on websites of different ministries or bureaus.</p>

f. Others

ACTION	IMPLEMENTATION
<p>1. To introduce the system for sharing credit information.</p>	<p>We are quickening the steps of establishing the system for sharing credit information of enterprises and individuals. Some regions including Beijing, Shanghai, Gansu, Zhejiang, Jiangsu, Guangdong have carried out the practices of establishing credit information system. Until now, there are more than 500 credit information intermediary agencies in China, covering credit rating, credit grading, credit guarantee, and credit consulting.</p>
<p>2. To take cooperative measures to simplify the business visa-issuing procedure among the three countries.</p> <p>The following items about the issuance of visa, especially long-term multiple entry visa and long-term work visa, should be clarified:</p> <ul style="list-style-type: none"> -conditions for the issuance of visa -procedures of document submission for visa application -shorten the time limit of visa issuance -respond methods regarding inquiries about the postponing or the refusal of visa issuance -appeal channels in the occasion of unreasonable postponing or refusal of 	<p>KOREA</p> <p>http://www.chinaemb.or.kr/kor/</p> <p>I Short Term Business Visa</p> <p>One of the following documents is required:</p> <ul style="list-style-type: none"> i A visa notification form and an invitation letter (original or fax) issued by the unit to be visited (Personal invitation is not allowed). ii Conference invitation (original or fax) iii photocopies of the business visa(s) and record(s) of the previous entry(s) into or exit(s) from China <p>II Multiple Entry Business Visa</p> <ul style="list-style-type: none"> i Photocopy of the Business License if the applicant is the owner of a foreign investment company in China. ii Certificate for the necessity of coming to China frequently issued by the foreign investment company if the applicant is an employee of it. iii Original Visa Application Form issued by authorized units for other applicants. iv Business card or Employment Certificate for all applicants. <p>III Business Work Visa</p> <ul style="list-style-type: none"> i For chief representatives or deputy chief representatives of Resident Business Representative Office, the following documents

visa issuance	<p>need to be submitted:</p> <ol style="list-style-type: none"> 1. Notification of visa application issued by authorized units. 2. Registration Certificate (Business License) issued by organizations for the administration of industry and commerce. <p>ii For those who come to China for technical cooperation projects according to agreements or project proposals, the following documents need to be submitted:</p> <ol style="list-style-type: none"> 1. Notification of visa application issued by authorized units. 2. Photocopies of agreements, bilateral or multilateral cooperation project proposals between Chinese and Korean governments or international organizations. <p>iii Technicians of foreign nationality in the offshore oil industry are required to submit “Invitation for Foreigners to Operate in the Offshore Oil Industry”</p> <p>iv Other applicants to be employed in China are required to submit the following documents:</p> <ol style="list-style-type: none"> 1. Notification of visa application issued by authorized units. 2. An Employment Permit for Aliens issued by the Ministry of Labor and Social Security. <p>v Those who apply to stay for more than 6 months are required to provide medical report (health certificate).</p> <p>JAPAN</p> <p>http://www.china-embassy.or.jp/jpn/</p> <p>Visa is not required for ordinary passport holders of Japan to China if they stay in China for less than 15 days for visiting relatives or friends, doing business and tourism. If they stay for more than 15 days, visa is required.</p> <p>I Short Term Business Visa</p> <p>One of the following documents is required:</p> <ol style="list-style-type: none"> i A visa notification form issued by authorized units. ii An invitation letter (original or fax) issued by government departments above village and town level.
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	<p>iii Business License issued by organizations for the administration of industry and commerce.</p> <p>iv Contract of Chinese Foreign Joint Ventures.</p> <p>v Original invitation letter to participate trade fairs or seminars.</p> <p>II Multiple Entry Business Visa</p> <p>For applicants who apply for a Multiple Entry Visa, one of the following documents need to be submitted:</p> <p>i The emphasis of “Multiple Entry” on the visa notification form issued by authorized units.</p> <p>ii The emphasis of “Multiple Entry” on the invitation letter.</p> <p>iii Documents to certify the necessity of coming to China frequently.</p> <p>III Business Work Visa</p> <p>i Employment Permit for Aliens issued by the Ministry of Labor and Social Security. (original and a copy)</p> <p>ii Foreign Expert’s License issued by the Foreign Experts Bureau of China. (original)</p> <p>iii Registration Certificate (Business License) issued by organizations for the administration of industry and commerce.</p> <p>iv Invitation for Foreigners to Operate in the Offshore Oil Industry.</p> <p>v Cooperation Project Proposal. (original and a copy)</p> <p>vi Invitation letter from a foreign invested company or other proof of kinship, e.g. birth certificate, marriage certificate, etc.</p> <p>vii <u>Those who apply to stay for more than 6 months are required to provide medical report (health certificate).</u></p> <p>Processing Time: <u>5 working days</u></p>
<p>3. To make cooperative efforts to reduce logistics cost</p>	<p>"2004 China Logistics Development and International Cooperation Summit" was held to implement the consensus reached by the leaders of China, Japan, Korea <u>in 2003</u>. The Chinese government is promoting the logistics cooperation by enhancing policy exchanges, the mobility of personnel, and the formulation of standards.</p>

<p>4. To strengthen management measures on Outstanding Balances (Receivables)</p> <p>Educating the market on commercial ethics, improving the legal system (i.e. implementing a more effective system on executing and/or enforcing court rulings)</p>	<p>Serving, supervising, and managing the market effectively by means of modern information technology. Judicial organs provide effective safeguard for the credit system by impartial court rulings.</p>
<p>5. Facilitation of remittance</p> <ul style="list-style-type: none"> - Substantially streamline the procedure and paperwork to enable remittance without delay. - Rationalize the conditions required for remittance. Reconfirm that the level of royalty shall not be a condition for authorizing remittance. - Ensuring appropriate and timely response to inquiries concerning the status of application for remittance. 	<p>"The Promotion of Trade and Investment Facilitation" is one of the working directions of China's foreign exchange authorities.</p> <p>Under this condition, (1)the State Administration of Foreign Exchange has issued a series of related regulations; (2)will continue to push forward the procedure simplification of trade and investment related foreign exchange, and provide guidance to banks to further simplify examination materials and procedures of overseas remittance.</p> <p>Moreover, China has made uniform operation procedures at the national level, simplified materials for examination and clarified the time limits. Inquiries can be raised on the "Q&A" column of www. safe.gov.cn, and feedback will be given in a timely manner.</p>

<p>6. Timely granting of distribution rights</p> <ul style="list-style-type: none"> - Make public the specific and detailed conditions for granting distribution rights. - Rationalize the conditions for granting distribution rights. - Minimize the restrictions for granting distribution rights. In particular, restrictions beyond the relevant WTO obligation should not be applied. - Accelerate the procedure for granting distribution rights. 	<p>MOFCOM issued the "Regulations on Management of Foreign Investment in the Commercial Sector" in June 2004, which has fulfilled the WTO distribution rights commitment. For the convenience of investors, MOFCOM has printed out "Operation Guidance for Foreign Investors to Set up Distribution Companies in China". Since March 1st, Commercial Authorities at the provincial level and Economic and Technological Development Zones at the state level have been responsible for examining and approving foreign investment in the commercial sector.</p>
<p>7. Facilitation of capital reduction and withdrawal</p>	<p>“Company Law”(2006), “Law on Chinese-Foreign Equity Joint Ventures”, ”Law on Chinese-Foreign Contractual Joint Ventures” and their implementation rules prescribe procedures for capital reduction and withdrawal.</p> <p>“Company Law”(2006) Article 178</p> <p>Where a company needs to reduce its registered capital, a balance sheet and a schedule of assets must be prepared.</p> <p>The company shall notify its creditors within ten days of adoption of a resolution to reduce its registered capital, and shall publish a notice in a newspaper within thirty days. Creditors are entitled to claim full payment of the company's debts or require the provision of appropriate assurances within thirty days of receipt of the notice, or within forty-five days of publication of the first</p>

	<p>notice if such creditors did not receive the notice.</p> <p>After capital reduction, the company's registered capital may not fall below the statutory minimum capital level.</p> <p>Article 180</p> <p>In the case of merger or division of a company, where any registered item requires change, amendment registration shall be carried out with the company registration authority in accordance with the law; where the company is dissolved, company de-registration shall be carried out in accordance with the law; where a new company is established, establishment registration shall be carried out in accordance with the law.</p> <p>Where a company is to increase or reduce its registered capital, a amendment registration shall be carried out with the company registration authority in accordance with the law.</p>
<p>8. Flexibility in borrowing</p> <p>- Raise the ceiling for borrowing with the guarantee by the parent company.</p>	<p>The amount restrictions (against the difference between total investment and registered capital) for borrowing of loans by foreign invested enterprises from local financial institutions have been eliminated.</p>
<p>9. To ensure that labor disputes shall not impede the operation of companies</p>	<p>Regulation of the People's Republic of China on Labor Security (2004) resolves labor disputes by law.</p>

1-2. Contact point

Organization: Ministry of Commerce of the People's Republic of China(MOFCOM)

Name: Zengming

Tel: +86-10-65197875, 65197852

Fax: +86-10-65197322

E-mail: zengming@mofcom.gov.cn

2. Japan

2-1. Details of measures for improvement of business environment

a. Transparency of laws and regulations

ACTION	IMPLEMENTATION
1.To establish an information exchange system among the three countries with a view to providing prompt investment-related information including the details of regulations, criteria, and procedures, To set up linkage among the investment-related websites of the three countries	• JETRO has linked up with KOTRA, CCPIT and Invest in China on a website that can be accessed at http://www.jetro.go.jp/en/links/
2.Measures to respond to specific questions concerning rules and regulations	• Relevant ministries and JETRO set up a comprehensive contact point related to investment that is in responsible for responding to inquiries. JETRO http://www.jetro.go.jp/en/invest/ e-mail : invest-japan@jetro.go.jp http://www.investment-japan.go.jp/

<p>3.To introduce a public comment system</p>	<ul style="list-style-type: none"> • Organs Establishing Administrative Orders, etc. will establish Administrative Orders, etc. after considering comments and information submitted by the public in response to the public notice for at least 30 days in principle . • On March 11, 2005, the Government of Japan submitted a bill to the Diet to revise the Administrative Procedure Act containing the legislation of the public comment procedure, which passed the Diet on June 22 and was promulgated on June 29. The revised Act was enforced in April 2006. • Organs Establishing Administrative Orders, etc. will announce methods of submitting comments and information, such as mailing, facsimile, or e-mail, at the same time as the Organs Establishing Administrative Orders, etc. publicly notify the proposed Administrative Orders, etc.
<p>4.To make an unequivocal commitment that those laws and regulations pertaining to or affecting investment are published or made available to other members</p>	<ul style="list-style-type: none"> • Websites of relevant ministries and agencies can be accessible from the website below, which provides investment related information including laws and regulations pertaining to or affecting investment. JETRO provides information in English, Chinese and Korean. • Details of the "Invest Japan" General Information Office, established in May, 2003 are introduced at the websites of the relevant ministries and agencies, which are accessible from http://www.investment-japan.go.jp/ij/files/list.html • The Invest Japan Business Support Center (IBSC) is working closely with government agencies to provide information to foreign businesspeople regarding various administrative procedures, as well as providing expert consultancy services pertaining to legal, labor, tax, accounting and other investment related matters. The Invest Japan website also features information about the various necessary procedures and costs. Following the inception of the IBSC, the center has increased the number of administrative and judicial scriveners—for which there was high demand—thereby further bolstering its investment consultation set-up. <p>(JETRO)</p>

	<ul style="list-style-type: none"> • From FY2006, The Japanese Government has published the Standard Bilingual Dictionary and the English translations of about 120 important laws (e.g., Unfair Competition Prevention Act, Copyright Act, etc.) complying with the dictionary, and has set up an electronic opinion box for receiving users' opinions on the Cabinet Secretariat's website. (http://www.cas.go.jp/jp/seisaku/hourei/data1.html) • The Japanese Government has been taking necessary measures so that English translations of about 280 laws and regulations including those relating to FDI will be produced complying with the dictionary according to the program for the three years from FY2006 through FY2008. The translated laws and regulations will be made public on the Cabinet Secretariat's website. • The Cabinet Secretariat's website provides information on about 117 translated laws and regulations including those relating to FDI that are currently provided by ministries and agencies of Japan, and may have not been translated in compliance with the Standard Bilingual Dictionary.
<p>5.To Make an unequivocal commitment that people or companies will not be disadvantaged for not following administrative guidance which is not specifically based on laws or regulations or for raising legitimate concerns including IPR infringements</p>	<ul style="list-style-type: none"> • Persons imposing Administrative Guidance will not treat the subject party of Administrative Guidance disadvantageously owing to the subject party's non-compliance with the Administrative Guidance in question. (Administrative Procedure Act, Article 32, Paragraph 2)

<p>6.To adopt a system which responds to questions concerning the status of applications to the governments after the period of time stipulated in the relevant laws and regulations has passed</p>	<p>Upon the request of applicants, administrative agencies will endeavor to indicate the progress of the review of an Application and the prognosis when a Disposition upon that Application may be expected. (Administrative Procedure Act, Article 9, Paragraph 1)</p>
<p>7.To provide a clear explanation, preferably in written form, when declining requests for licenses or authorization</p>	<ul style="list-style-type: none"> • Administrative agencies will, in cases where they render Dispositions refusing the permission, etc. sought by Applications, concurrently show the grounds for the subject Disposition. (Administrative Procedure Act, Article 8, Paragraph 1) • When Dispositions prescribed in the main clause of the preceding paragraph are rendered in writing, then the grounds set forth in the preceding paragraph will also be shown in writing. (Administrative Procedure Act, Article 8, Paragraph 2)
<p>8.To introduce a no action letter system / an authorized responding system</p>	<ul style="list-style-type: none"> • The Cabinet Decision, “Regarding the Introduction of Prior Confirmation Procedures on the Application of Laws and Regulations by Administrative Agencies” prescribes procedures in which a private enterprise, etc. confirms in advance with the administrative agency having jurisdiction to enforce certain laws and regulations whether specific actions in connection with business activities that the enterprise, etc. seeks to realize are subject to the provisions of the regulations concerned, such agency responds and the response is made public. (Cabinet Decision, March 27, 2001, Revised on June 22, 2007)

<p>9.To introduce measures to respond to questions concerning the interpretation and details of rules and regulations</p>	<ul style="list-style-type: none"> • Guidelines are prescribed for procedures in which a private enterprise, etc. confirms in advance with the administrative agency having jurisdiction to enforce certain laws and regulations whether specific actions in connection with business activities that the enterprise, etc. seeks to realize are subject to the provisions of the regulations concerned, such agency responds and the response is made public. • JETRO and related ministries set up a comprehensive contact point related to investment, which is in charge of response questions. JETRO e-mail : invest-japan@jetro.go.jp
<p>10.To answer questions concerning the status of applications or the responses to allegations of IPR infringement</p>	<ul style="list-style-type: none"> • Upon the request of applicants, administrative agencies will endeavor to indicate the progress of the review of an Application and the prognosis when a Disposition upon that Application may be expected. (Administrative Procedure Act, Article 9, Paragraph 1)
<p>11.To introduce a system to appeal and review administrative decisions</p>	<ul style="list-style-type: none"> • The Administrative Appeal Act provides the system that a person can appeal against dispositions and other acts involving the exercise of public authority by administrative agencies. (Administrative Appeal Act, Article 1)
<p>12.To enhance Transparency and predictability of taxation</p> <p>-Enhance transparency of taxation by making public the specifics of applying taxes.</p> <p>-Announce changes in taxation with sufficient time in advance.</p>	<ul style="list-style-type: none"> • Details of taxation in Japan are made public on the website of the Tax Bureau, Ministry of Finance as follows; Details of local taxation in Japan are made public on the website of the Local Tax Bureau, Ministry of Internal Affairs and Communications as follows; http://www.mof.go.jp/jouhou/syuzei/syuzei.htm http://www.soumu.go.jp/czaisei/czais.html • METI also issues an annual handbook for industrial taxation every autumn. • The outline of tax reform is announced by the ruling parties every December, usually about three and half months before the actual implementation of the tax reform in April of the following year.

<p>13. Effectiveness and transparency of legal proceedings</p> <ul style="list-style-type: none"> - Make public all the decisions by the court. - Ensure full enforcement of court rulings 	<ul style="list-style-type: none"> • The judgments by the courts in Japan have already been made public in accordance with domestic laws. However, this domestic regulation permits the courts to decide not to disclose certain types of information such as privacy and trade secrets under specific circumstances. Some of them are made public through the following website for reference by the Supreme Court of Japan, which is independent from the government. (http://www.courts.go.jp/) • For the purpose of strengthening the Execution System of the court decisions and achieving the effective realization of peoples' rights, the civil code and related regulations were amended in 2003. Because of this amendment, the system for the disclosure of property has been established, and the authority of executors has expanded.
<p>14. To enhance transparency in government procurement.</p> <ul style="list-style-type: none"> - Ensure fair and open opportunities to foreign affiliated companies or products/ services in government procurement. - Promptly participate in the Government Procurement Agreement. - Ensure prompt payment in government procurement contracts. 	<ul style="list-style-type: none"> • Japan is a member of the WTO Agreement on Government Procurement, and the Japanese government has also maintained transparency and given fair and open opportunities to foreign affiliated companies or products/services in government procurement on the basis of the agreement. • Cabinet Order stipulating special procedures for government procurement of products or specified services, introduced for the implementation of the Agreement on Government Procurement provides for special procedures and necessary matters regarding contracts concluded by Government entities to which the Agreement applies to supplement the Budget, and for the Settlement of Accounts and Accounting Regulations. • Regarding the payment of an contract, as the need arises, each ministry can pay a contractor in advance based on The Accounts Law (Law No. 35, 1947)
<p>15. To make public all laws and regulations related to foreign investment in a timely and accurate</p>	<ul style="list-style-type: none"> • JETRO's website is a uniform platform to provide obtain information on laws and regulations relating to foreign direct investment. • From FY2006, the Japanese Government has published the Standard Bilingual Dictionary and the English

<p>manner by uniform platform.</p>	<p>translations of about 120 important laws (e.g., Unfair Competition Prevention Act, Copyright Act, etc.) complying with the dictionary, and has set up an electronic opinion box for receiving users' opinions on the Cabinet Secretariat's website.</p> <p>http://www.cas.go.jp/jp/seisaku/hourei/data1.html</p> <ul style="list-style-type: none"> • The Japanese Government has been taking necessary measures so that English translations of about 280 laws and regulations including those relating to FDI will be produced complying with the dictionary according to the program for the three years from FY2006 through FY2008. The translated laws and regulations will be made public on the Cabinet Secretariat's website. • The Cabinet Secretariat's website provides information on about 117 translated laws and regulations including those relating to FDI that are currently provided by ministries and agencies of Japan, and may have not been translated in compliance with the Standard Bilingual Dictionary.
<p>16. To standardize the enforcement and inspection on foreign enterprises, clarify conditions of enforcement and inspection, make the notification with regard to inspection results as soon as possible, and prohibit groundless finding or searching (especially, tax inspection)</p>	<p>[Tax examinations and tax criminal investigations]</p> <p>The Japanese Constitution requires taxes to be imposed by law or under such conditions as law may prescribe. The principle of "no taxation without law" requires laws and regulations to be provided in a clear and transparent manner.</p> <p>The National Tax Agency (hereinafter referred to as the "NTA") conducts tax examinations and tax criminal investigations based on clear and transparent procedures stipulated in the relevant laws and regulations. The transparency of the related laws and regulations will be heightened continuously. The mission of the NTA is to help taxpayers to voluntarily fulfill their tax responsibilities properly and smoothly. In order to fulfill its mission, the NTA imposes and collects national tax properly and fairly through activities such as tax examinations or tax criminal investigations for taxpayers whose tax returns are identified as improper, and tax consultations to help taxpayers understand and fulfill their tax responsibilities.</p>

To strictly abide by the Agreement between Japan and China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, and the Agreement between Japan and Korea for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, tax examinations and tax criminal investigations are conducted equally, fairly and indiscriminately against entities or persons involved regardless of the nationality or the degree of ownership by Chinese entity/entities and/or by Korean entity/entities.

The appellate system enables the taxpayer to protest against the corrections or other administrative dispositions by the District Director of Tax Offices or other officials when a taxpayer disagrees with these dispositions.

1. Outline of Tax Examinations and Tax Criminal Investigations

Taxpayers should voluntarily file returns and pay their taxes in the self-assessment system. The NTA conducts tax examinations based on tax laws.

By way of maintaining the self-assessment system, tax laws demand that taxpayers who intentionally evade taxes will be subject to fines and/or imprisonment, as well as payment of their delinquent taxes, as a penalty for neglecting their social responsibility. As tax examinations are not sufficient enough to grasp the entire landscape of tax evasion, the NTA is authorized to conduct tax criminal investigations. When discovering tax evasion offenses in this process, the NTA brings an accusation to public prosecutors for criminal prosecution. In this sense, the NTA's tax criminal investigations play an indispensable role in supporting the self-assessment system and enforcing tax laws.

a. Tax examinations

Corporate tax is charged on a corporation's taxable income. Based on the Corporate Tax Law (Article 153), the NTA is granted the authority to conduct tax examinations.

(1) The conditions to carry out tax examinations

In selecting taxpayers for examination, tax officials analyze various data and information.

(2) The full procedure of tax examinations

(i) Advance notice of tax examinations

In principle, taxpayers are notified in advance of the date of the tax examination by phone so that tax officials can confirm the taxpayer's availability. In cases where tax officials must confirm the actual state of the business itself, however, no advance notice is given. Advance notice is given in approximately 90% of corporation tax examinations.

(ii) Conduct of tax examinations

When a tax official visits the office of a taxpayer to conduct a tax examination, the official presents a photo identification card that clearly shows his or her name and identity as a tax official.

The tax official generally examines books, accounting records, inventories and other documents that track daily transactions, and makes inquiries to the taxpayer regarding their tax returns and books. If necessary, the tax officials may make inquiries to third parties, including banks, for additional information.

The taxpayer may have his/her Certified Public Tax Accountant designated as a tax proxy attend the examination.

(3) When and how the examination result will be informed to the taxpayer

When an error is found in the tax return, the Tax Office explains the error and the tax amount payable clearly to the taxpayer, and recommends an amended return.

If the taxpayer does not cooperate with the Tax Office's request for an amended return, the District Director of the Tax Office makes a correction, and sends a Notice of Correction to the taxpayer.

If no error is found in the return and no guidance is needed, the Tax Office sends a written notification of the tax examination result to the taxpayer.

(4) The length of tax examinations

The length of tax examinations is not stipulated in the relevant laws and regulations because the necessary timeframe for tax examinations varies. However, Article 70 of the General National Tax Law sets out the statute of limitations, and so the tax examinations are carried out within this limit.

Tax officials make every attempt to conduct their examinations as speedily as possible in order to minimize the burden on taxpayers. An examination proceeds quickly and smoothly if the taxpayer cooperates by presenting books and other documents that track daily transactions to the tax official in charge and responds accurately to questions regarding his or her tax return and books.

b. Tax criminal investigation

In addition to tax examinations, the laws in Japan give authority to the NTA to conduct tax criminal investigations. When discovering tax evasion offenses in this process, the NTA brings an accusation to public prosecutors.

The National Tax Violations Control Law clearly sets out this investigation procedure in detail. Investigators at the regional taxation bureau level are in charge of enforcing this law.

(1)

The procedure for tax criminal investigations

(i) Obtaining a court warrant

When a suspected tax evader is found, a scouting investigation is made to identify the scale and method of the tax evasion. When the result of the scouting investigation indicates that the taxpayer is intentionally evading a large amount of tax using fraudulent means, the investigator presents the facts concerning the suspected tax evader to a judge and applies for a warrant. After obtaining a court warrant, the investigators are able to enter specified premises to search for and seize evidence.

(ii) Conduct of tax criminal investigations

The investigators are authorized to take certain actions as provided in the National Tax Violations Control Law. For example, they may question suspected tax evaders and witnesses and inspect books, accounting records and other documents. They are authorized to take custody of items voluntarily submitted. They are able to enter specified premises to search for and seize evidence with court warrants.

(2) When and how the tax criminal investigation result will be informed to the taxpayer

When discovering tax evasion offenses in this process, the NTA brings an accusation to public prosecutors. When an accusation is brought, the prosecutor indicts the suspect to a district court after his/her own investigation. The facts presented in the indictment are notified to the suspect by the court.

Based on the Code of Criminal Procedure, the defendant taxpayer in the case of a criminal investigation has the right to insist in court that the investigation has procedural defects.

(3) The length of tax criminal investigations

The scale and type of business varies according to each taxpayer and so the necessary timeframe of the tax criminal investigations required to clarify the scale and method of tax evasion also varies by each case. For this reason, the length of tax criminal investigations is not stipulated in the relevant laws and regulations. However, Article 250 of the Code of Criminal Procedure sets out the statute of limitations, so the tax criminal investigations are carried out within this limit.

2. Outline of the Appellate System

When a taxpayer's rights are infringed by corrections or other administrative dispositions of the District Director of Tax Offices or other officials in respect of national taxes, there are two methods by which appeals from taxpayers are reviewed and relief may be granted. These methods are the administrative appellate system and the litigation system.

The administrative appellate system allows a taxpayer to protest against corrections or other administrative dispositions by filing a protest with the District Director of the Tax Office or other officials and requesting the annulment or amendment of the concerned action. An administrative appeal is, first of all, filed with an administrative agency which has taken the above action. This is called a "request for reinvestigation" and is the first stage of the administrative dispute.

If the taxpayer is not satisfied with the decision made by the District Director of the Tax Office, he or she may file a "request for reconsideration." The request for reconsideration is filed with the Director-General of the National Tax Tribunal. The National Tax Tribunal is an impartial body, independent from Regional Taxation Bureaus and Tax Offices, and provides relief for the infringement of taxpayer rights and interests.

Thereafter, if the taxpayer is not satisfied with the decision made by the Director-General of the National Tax Tribunal, the taxpayer may then bring the matter to a judicial court.

3. Responding to Taxpayers' Complaints

Not only requests for appellate of an administrative disposition but also complaints, requests, criticisms or consultation over problems, covering all aspects of tax administration, such as the attitude of the tax official having responded to taxpayers or the method of examination, may be forwarded to the NTA. The NTA responds promptly and properly by taking the viewpoint of taxpayers because responding forthrightly to taxpayers' complaints is crucial to earn their understanding and trust. Moreover, in July 2001, the position of Taxpayer Support Officer was created, with duties including explaining procedures for how to remedy infringements in cases where the taxpayer's rights or interests have been affected. Taxpayers can convey their opinions, complaints and requests to the Taxpayer Support Officers.

4. Tax Consultations

In order to answer and accommodate taxpayers' questions and inquiries, the NTA has placed Tax Counselors and staff with vast experience in all aspects of tax at Tax Counsel Offices throughout the nation to provide telephone and in-person tax consultations.

Consultations in English are provided at the tax counsel offices of the Tokyo, Nagoya, and Osaka Regional Taxation Bureaus.

TOKYO REGIONAL TAXATION BUREAU

(TOKYO KOKUZEI-KYOKU)

TEL: +81-3-3821-9070

	<p>OSAKA REGIONAL TAXATION BUREAU (OSAKAKOKUZEI-KYOKU) TEL: +81-6-6941-5331(Ext.2559)</p> <p>NAGOYA REGIONAL TAXATION BUREAU (NAGOYA KOKUZEI-KYOKU) TEL: +81-52-971-2059</p> <p>In addition to telephone and in-person consultations at tax counsel offices, the NTA also provides a "Tax Answer" service that provides information by FAQ style in Japanese or English. This service can be accessed at the following website. http://www.nta.go.jp/taxanswer/</p> <p>[Other administrative inspections]</p> <p>Other administrative inspections are conducted equally, fairly and indiscriminately against entities or persons involved regardless of the nationality or the degree of ownership by Chinese entity/entities and/or by Korean entity/entities.</p>
<p>17.To introduce the system in order to indicate incomplete applications</p>	<p><Review and Response to Applications></p> <p>Upon the arrival of an application at the administrative offices of an administrative agency, that agency will commence its review of the Application without delay, and unless an Application conforms to requirements that the contents of the application form be in order, that the application form be appended with necessary documents, that the Application be filed within a specified time period, or to other pro forma requirements provided by Statutes, the agency will promptly either request the persons who filed the Application to correct the</p>

	Application and specify a suitable time limit for such correction to be made or deny the permission, etc. sought by the Application. (Administrative Procedure Law, Article 7)
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b. Protection of intellectual property rights (IPRs)

ACTION	IMPLEMENTATION
<p>1.The IPR authorities of the three countries should pay special attention to and strengthen cooperation on the issues related to IPR protection</p>	<ul style="list-style-type: none"> • In the annual Trilateral Meeting with the Commissioners among the State Intellectual Property Office of the P. R China (SIPO), the Japan Patent Office (JPO) and the Korean Intellectual Property Office (KIPO) held in 2007, the Commissioners made a roadmap for trilateral cooperation and discussed issues such as holding a joint seminar on the service for small and medium enterprises (SMEs). The next Meeting will also be held in Korea. • The Joint Experts' Group for Automation (JEGA) was held in 2007 among the JPO, the KIPO and the SIPO, to discuss issues such as promoting dissemination of patent information to the public in English, exchange of priority documents and exchange of statistical data • Japan dispatched a mission to China and Korea for meeting on technical matters for the examination of new plant varieties. • Japan dispatched a mission to Korea for the establishment of an arrangement on a cooperation system on the examination of new plant varieties with Korea in 2007.
<p>2.To establish a court system specializing in disputes over intellectual property rights</p>	<ul style="list-style-type: none"> • The Intellectual Property High Court was established as of April 1, 2005 within the Tokyo High Court as a special branch. In order to ensure more effective and speedy trial proceedings, the Intellectual Property High Court hears appeals from district courts nationwide for all civil cases related to such matters as patent rights and utility model rights, and suits against appeal /trial decisions made by the Japan Patent Office.

<p>3. To establish boards to review specific issues concerning IPR</p>	<ul style="list-style-type: none"> • Japan has proposed to establish a high-level WG to extend more adequate protection of intellectual property rights (IPRs) in the three countries. The high-level WG will discuss the improvement of IPR protection and formulate additional measures necessary to further enhance IPR protection. • Japan puts emphasis on importance of the establishment of a high-level WG and proposes to establish it as soon as possible.
<p>4. To enhance national laws and regulations in the field of copyrights, trademarks and patents to prevent violation of intellectual property rights including illegal online copies</p>	<ul style="list-style-type: none"> • Patent Law, article 102 (Presumption, etc. of amount of damage), article 196 (Offense of infringement), article 197 (Offense of fraud), article 201 (Dual liability) and article 202 (Administrative penalties) were amended to toughen penal provisions. • Copyright Law was amended to 1) facilitate simultaneous retransmissions of regular broadcast programs by IP multicast operators, 2) provide limitations or exceptions on copyright and related rights for adapting to changing social needs, and 3) ensure effectiveness of protection of copyright and related rights. • Plant Variety Protection and Seed Act was amended to facilitate damage compensation through civil suit and to strengthen preventive measures against Plant Breeder's Right infringement.
<p>5. To review administrative penalties (upgrading minimum level of non-penal fines), criminal penalties (expanding scope) and level of compensation for damages</p>	<ul style="list-style-type: none"> • Patent Law, article 102 (Presumption, etc. of amount of damage), article 196 (Offense of infringement), article 197 (Offense of fraud), article 201 (Dual liability) and article 202 (Administrative penalties) were amended to toughen penal provisions. • Copyright Law was amended to strengthen the penalty for infringements of copyright. • Plant Variety Protection and Seed Act was amended to facilitate damage compensation through civil suit and to strengthen preventive measures against Plant Breeder's Right infringement.

<p>6.To establish cooperative network relating to violation of intellectual property rights in cross-border cases</p>	<ul style="list-style-type: none"> • Japan-China, Japan-Korea will strengthen information exchanging systems relating to IPRs between law enforcement agencies, and build up closer connections. • Japan concluded Customs Mutual Assistance Agreements with Korea on December 13, 2004 and with China on April 2, 2006, which strengthen bilateral cooperation and assistance in the field of Customs matters, including enforcement related to the importation and exportation of goods suspected of infringing IPR. • The Customs authorities of Japan, China and Korea held the first tripartite working group on intellectual properties on October 2007 and agreed to implement cooperative action such as facilitation of information exchange, facilitation of mutual understanding for institutions/practices, strengthening of public awareness and cooperation with right holders.
<p>7.To establish help-desk(s) to receive complaints from foreign investors</p>	<ul style="list-style-type: none"> • The office of Intellectual Property Protection, an integrated office for consultation services of the government within the Ministry of Economy, Trade and Industry, was established in 2004 to deal especially with IPR infringements. <p>Tel: + 86-3-3501-1701</p>

<p>8.To raise awareness of businesses and consumers regarding Intellectual Property Rights</p>	<ul style="list-style-type: none">• The Japanese Government started an anti-counterfeiting campaign in 2003. The campaign features advertisements on TV, in posters and magazines, and/or the Internet.• This campaign will continue to prevent counterfeiting.• The Japan Copyright Office organizes seminars on copyright, and makes and distributes textbooks on copyright.
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c. Dispute consultation mechanism including at the local level

ACTION	IMPLEMENTATION
<p>1.To establish Claim Centers by each country</p>	<ul style="list-style-type: none"> • OTO(The Office of Trade and Investment Ombudsman) receives complaints from overseas and domestic enterprises concerning specific government regulations that are obstacles to export or investment to Japan. In response to the complaints, OTO improves regulations and clears up any misunderstandings. In this way OTO improves access to the Japanese market. • Complaints are received by OTO contact points of Japanese ministries and agencies, customs counselors (counseling offices) at each customs house, regional bureaus of international trade and industry, regional quarantine offices, regional animal quarantine stations, regional plant protection stations, district transport bureaus, Japanese diplomatic missions in all countries, and OTO contact points established in JETRO, including regional offices. <p>- Contact Points -</p> <ul style="list-style-type: none"> · Cabinet Office (OTO desk) <p>TEL: + 81-3-5501-2809/2810</p> <p>FAX: + 81-3-3504-0651</p> <p>URL: http://www5.cao.go.jp/access/english/oto_main_j.html</p>
<p>2. To establish local help-desks for claimants and a Dispute Consultation mechanism between local governments and foreign business communities.</p>	<ul style="list-style-type: none"> · METI established the following regional Invest Japan Offices under METI's Regional Bureaus to support foreign companies and investors. <p>URL:http://www.meti.go.jp/english/information/data/cFDIJapanRegione.html</p> <p>METI Hokkaido Bureau TEL:+81-11-709-1752</p> <p>METI Tohoku Bureau TEL:+81-22-215-7141</p> <p>METI Kanto Bureau TEL:+81-48-600-0261</p>

	<p>METI Chubu Bureau TEL:+81-52-951-4091</p> <p>METI Kansai Bureau TEL:+81-6-6966-6035</p> <p>METI Chugoku Bureau TEL:+81-82-224-5655</p> <p>METI Shikoku Bureau TEL:+81-87-831-3289</p> <p>METI Kyusyu Bureau TEL:+81-92-482-5426</p> <p>METI Okinawa Bureau TEL:+81-98-864-2321</p> <p>·JETRO Shanghai Center and the Shanghai Japanese Commerce and Industry Club established the 'Huadong Area Business Environment Study Group' in 2004 in cooperation with and with the participation of the local governments to consult on the business environment which Japanese enterprises in this area are facing.</p>
<p>3.To establish a Dispute Consultation mechanism in national and local governments</p>	<p>·OTO receives complaints from overseas and domestic enterprises concerning specific national government regulations that are obstacles to export or investment to Japan. In response to the complaints, OTO improves regulations and clears up any misunderstandings. In this way OTO improves access to the Japanese market.</p> <p>TEL: +81-3-5501-2809/2810 URL:http://www5.cao.go.jp/access/english/oto_main_j.html</p>

<p>4.Effectiveness of dispute consultation</p> <ul style="list-style-type: none">- Ensure timely and complete feedbacks, in written form, to claims made to Claim Centers	<ul style="list-style-type: none">· OTO has already ensured timely and complete feedback in written form.
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d. Promotion of investment and relevant services

ACTION	IMPLEMENTATION
<p>1.To build and expand "one stop service center" for central or local governments of each country</p>	<ul style="list-style-type: none"> · JETRO and related ministries set up a comprehensive contact point related to investment, which is in charge of responding to inquiries. · JETRO Headquarter Office serves as both central and local one stop service center. URL:http://www.jetro.go.jp/en/invest/ TEL:+81-3-3582-5171 · Support for preparing major applications and notifications forms for procedure of inward investment are available at Invest Japan Business Support Centers, which provide a wide range of services and facilities to assist foreign investors. · From June 21, FY2004, electronic online company establishment registrations and other commercial registration applications have been partly implemented. As of March 31 ,2008 ,online applications were introduced at 465 (about 99 % of all) commercial registry offices in Japan, which means that more than 97 % of all commercial registrations can be applied for online. Also, investigation of similar trade names using a trade name search function over the Internet is possible. · JETRO is expanding the variety and volume of information that it provides about inward investment (e.g., Japanese market information, institutional information and success stories). · Relevant Government offices will put themselves in a user's perspective and strive to streamline administrative procedures to cut the amount of time required for their completion. The government will select important procedures among FDI-related ones, and then related ministries and agencies will consider ways to simplify them, promote their electronic access, and create public-friendly websites. In some areas, certain new feasibility studies have been started already.
<p>2.To cooperate further in the holding investment promotion activities such</p>	<ul style="list-style-type: none"> · The Japan-China-Korea Business Forum, for businesspeople of the three countries, discuss possible cooperation in promoting trade and investment.

as investment fairs and marts	<ul style="list-style-type: none"> ·JETRO held the Japan-Korea -China Industrial Fair 2007 in Seoul on June 13-16, 2007, in cooperation with KOTRA, CCPIT and the governments of CJK. ·JETRO will hold Japan-China-Korea Industrial Fair 2008 in Osaka on June 2008.
3.To simplify approval and licensing procedures for investment	<p>·The Japanese government has been taking various measures, including easing of regulations and modification of systems relating to enterprise management, based on the Japan Investment Council (JIC) recommendations to promote inward direct investment. The major steps taken are as follows:</p> <p>Various systems are being modified to facilitate M&A, including simplification of procedures for mergers, facilitating OTC (over-the-counter) transactions, expanding corporate financial disclosure to meet internationally accepted accounting standards, and others.</p>
4.To reinforce functions of one-stop-centers and establish their international linkages	<ul style="list-style-type: none"> · JETRO has linked up with KOTRA, CCPIT and Invest in China on a website; http://www.jetro.go.jp/en/links/

<p>5. To further enhance deregulation (distribution (retailing, wholesale), financial, insurance and travel services. M&A based investments. Opening of domestic stock market(s) for foreign capitals. Abolishing restrictions on foreign capital ratio, etc.)</p>	<p>· The government has been taking various measures, including easing of regulations and modification of systems relating to enterprise management, to promote inward direct investment. The major steps which have been taken are as follows:</p> <p>Various systems are being modified to facilitate M&A, including simplification of procedures for mergers, facilitating OTC transactions, expanding corporate financial disclosure to meet internationally accepted accounting standards, and so on.</p>
<p>6. To reduce the scope of activities that requires licenses or authorization</p>	<p>· The government has been taking various measures, including easing of regulations and modification of systems relating to enterprise management, to promote inward direct investment. The major steps which have been taken are as follows:</p> <p>Various systems are being modified to facilitate M&A, including simplification of procedures for mergers, facilitating OTC transactions, expanding corporate financial disclosure to meet internationally accepted accounting standards, and so on.</p>
<p>7. To clarify conditions and simplify procedures of license issuance, document submission, examination and approval of the establishment of enterprises with foreign investment. To ensure that foreign enterprises have</p>	<p>Enterprises with foreign investment can submit applications to relevant authoritative organizations without entrusting agencies.</p>

<p>the right to submit applications to relevant authoritative organizations without entrusting any designated agencies</p>	
<p>8. To establish dialogues between the Government and Organization of Companies of other parties and endeavor to solve problems that companies have encountered in an effective and timely manner.</p>	<ul style="list-style-type: none"> · With Korea Federations of Companies in Japan, the Japanese Government used to have regular meetings (now, they are temporarily suspended), and is now willing to re-activate this dialogue. · The Japanese Government will hold regular meetings with the China Enterprises Association in Japan, with the involvement of the Chinese Embassy in Japan, upon request by the association.
<p>9.To provide assistance for foreign investors, to discover business partners</p>	<ul style="list-style-type: none"> · JETRO has already been holding seminars and fairs to assist foreign investors to find their Japanese business partners. In addition, JETRO has already launched TTPP (Trade Tie-up Promotion Program) which is a system that can be used through the Internet and helps to search for potential business partners.

e. Conference of national and local administration

ACTION	IMPLEMENTATION
To promote coherence of national and local administration, including consistency in the implementation of rules and regulations at both the national and local government level	See below
1.To train officials at the local level	·The national government has established training programs for national and local government officials, including on enforcement of laws and regulations.
2.To provide details of regulations, criteria, and procedures to the public promptly	Administrative agencies will enact standards, such standards being necessary for judging, in accordance with the provisions of relevant Statutes, whether an Application requesting permission, etc. will be granted. And, except in cases of extraordinary administrative inconvenience, administrative agencies will make review standards available to the public. (Administrative Procedure Law, Article 5)

f. Others

ACTION	IMPLEMENTATION
1.To introduce the system for sharing credit information	·Sharing credit information (e.g., dishonor information, etc...) among financial institutions under the Bill Clearing System has already been implemented.
<p>2.To take cooperative measures to simplify the business visa-issuing procedure among the three countries</p> <p>The following items about the issuance of visa, especially long-term multiple entry visa and long-term work visa, should be clarified:</p> <ul style="list-style-type: none"> -conditions for the issuance of visa -procedures of document submission for visa application -shorten the time limit of visa issuance -respond methods regarding inquiries about the postponing or the refusal of visa issuance -appeal channels in the occasion of unreasonable postponing or refusal of visa issuance 	<p>Japan recognizes that promoting movement of investors/businesspersons between the three countries will lead to further enhancement of trilateral economic relations. From this aspect, the three countries are mutually encouraged to make visa issuance and its procedures as transparent and user-friendly as possible.</p> <p>Hence, Japan has revised revision and is committed to improve its issuance procedures for both multiple temporary visitor visas and long-term working visas in an appropriate manner.</p> <p>In many cases of business activities, a multiple temporary visitor visa is very handy and efficient. A Chinese national residing in China who wishes to travel to Japan for a commercial purpose such as business talks, signing contracts, market surveys and after-sale services, and who meets certain qualifications can apply for a multiple entry visa for a temporary visit up to 90 days. (No profit-making operations are allowed)</p> <p>Also, a visa for an investor/business manager for 3 years or 1 year who wishes to engage in activities to commence the operation of international trade or other business, to invest in international trade or other business and to operate or manage that business, or to operate or manage international trade or other business on behalf of foreign nationals (including foreign corporations), who has begun such an operation or invested in such a business, can apply. When applying for a long-term working visa, the applicant is recommended to obtain a Certificate of Eligibility beforehand in Japan and the certificate should be submitted with the application for a visa. In principle, it takes five working days. For issuance of a visa after application documents received. Otherwise, in some cases, it may take longer processing time for issuance of a visa. Business in question must meet certain conditions of scale. Applicants who wish to engage in business management must fulfill certain</p>

	<p>conditions concerning work status and personal history.</p> <p>1. Application for Multiple Temporary Visitor Visa specially designed for Chinese Nationals</p> <p>Those who meet the following qualifications can submit an application form and other relevant documents for issuing a multiple temporary visitor visa in Japan to the Embassy or Consulate-General of Japan in China.</p> <p>(1) Chinese nationals who possess a history of entry into Japan once or more and not violated any Japanese laws or regulations including the Immigration Control and Refugee Recognition Act during the stay(s) in Japan, and</p> <p>(2) Who are full-time staff of a company which meets one of the following criteria and conditions.</p> <ul style="list-style-type: none"> • Either a director (or above) or a full-time employee working for more than one year in a company of a member of the Japanese Chamber of Commerce in China (including Japanese commerce and industry clubs in local areas of China), which has its management foundation or contact office(s) in Japan. • Either a director (or above) or a full-time employee working for more than one year in a company registered under the Commerce and Industry Registration and the Tax Registration in China, and also is listed either on the Chinese or on other country's stock exchange market. The applicant needs an endorsement from a Japanese company listed in the first section of Japan's stock exchange market. • Either a director (or above) or a full-time employee working for more than one year in a large and medium Chinese state enterprise. Applicant of a state enterprise employee should apply the visa through the proxy authorities and needs an endorsement from a Japanese company listed in the first section of Japan's stock exchange market. • Either a director (or above) or a full-time employee working for more than one year in one of the top 500
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	<p>export/import companies or their subsidiaries announced by the Ministry of Commerce of China. The applicant needs an endorsement from a Japanese company listed in the first section of Japan's stock exchange market.</p> <ul style="list-style-type: none">• An director (or above) in a company of good credit conditions such as a state enterprise or company listed on the Chinese stock exchange market. • An IT technician working for more than one year in a state enterprise or in a company registered under the Commerce and Industry Registration and the Tax Registration in China and also listed on the Chinese or on other country's stock exchange market. <p>2. Application for Long-term Working Visa</p> <p>Those who wish to obtain a long-term working visa are requested to submit an application form and other relevant documents to the Embassy or Consulate-General of Japan in China. Documents to be attached are: 1) the application form, 2) photo, 3) passport, 4) copy of family register and residence certificate in the case that the applicant is not registered in any registry under the jurisdiction area of the Embassy or Consulate-General where the application was made, 5) and Certificate of Eligibility. As mentioned above, the applicant is recommended to obtain a Certificate of Eligibility beforehand in Japan and the certificate should be submitted with the application for a visa. Otherwise, it may take several months, or even longer in some cases.</p> <p>【Certificate of Eligibility】</p> <p>The Certificate of Eligibility is issued by a regional immigration authority under the jurisdiction of the Ministry of Justice in Japan as evidence that the applicant fulfills various conditions of the Immigration Control Act, including those certifying that the activity in which the foreigner wishes to engage in Japan is valid and comes under a status of residence. It can be acquired at the regional immigration authorities in Tokyo, Osaka, Nagoya,</p>
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Hiroshima, Fukuoka, Sendai, Sapporo and Takamatsu by the applicant or his/her proxy.

Pursuant to the criteria under Article 7, paragraph 1 (2) of the Immigration Control and Refugee Recognition Act (Cabinet Order NO. 319 of 1951) in accordance with the Status of Residence “Investor/Business Manager”, the documents needed to obtain a Certificate of Eligibility are as follows. (See <http://www.moj.jp/ENGLISH/information/icrr-01.html> for “Immigration Control and Refugee Recognition Act (English)” and <http://www.moj.go.jp/ENGLISH/information/mopca-01.html> for “Ministerial ordinance to provide for criteria pursuant to Article 7, Paragraph 1(2) of such Act.”)

(1) In cases where the person concerned intends to commence the operation of international trade or other business, or to invest in business, the following materials are required.

- a. A business plan, copies of the company registration, and a statement of profit and loss.
- b. Material showing the number of full-time staff except the foreign national concerned, and in the case where the number of the full-time staff is two, copies of resident cards or certificates of alien registration and documents regarding wage payments of the staff concerned.
- c. Material showing the outline of the business office
- d. Material showing the investment amount of by the foreign national concerned.

(2) In cases where the person concerned intends to engage in management of international trade or other business on behalf of a foreign national who began or invested the business concerned, the following materials are required.

- a. A business plan, copies of the company registration, and a statement of profit and loss.
- b. Material showing the number of full-time staff except the foreign national concerned, and in the case where the number of the full-time staff is two, copies of resident cards or certificates of alien registration and

	<p>documents regarding wage payments of the staff concerned.</p> <p>c. Material showing the outline of the business office.</p> <p>d. Documents certifying the activity, its duration, the position, and the remuneration of the person concerned.</p> <p>(3) In cases where the person concerned intends to engage in management of international trade or other business on behalf of a foreign national who began or invested in the business concerned or is engaged in management of the business concerned which was begun or invested in Japan, the following materials are required.</p> <p>a. A business plan, copies of the company registration, and a statement of profit and loss.</p> <p>b. Material showing the number of full-time staff except the foreign national concerned, and in the case where the number of the full-time staff is two, copies of resident cards or certificates of alien registration and documents regarding wage payments of the staff concerned.</p> <p>c. Material showing the outline of the business office.</p> <p>d. Documents certifying the career of the person concerned and his or her certificate of graduation with a major in management or administration at a graduate school.</p> <p>e. Documents certifying the activity, its duration, the position, and the remuneration of the person concerned.</p> <p>3. Criteria for Visa Issuance</p> <p>In principle, a Japanese visa will be issued to an applicant, if he/she fills all of the following requirements and the issuance is regarded as reasonable.</p> <p>a) The applicant possesses a valid passport and is entitled to re-entry to the country of which he/she is a national or citizen or a country of his/her residence.</p> <p>b) All submitted documents should be authentic, completed and satisfactory.</p> <p>c) The activities to be engaged in while in Japan, the status and the position of the applicant and the period of</p>
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	<p>stay should meet the requirements for residence and period of stay stipulated in the Immigration Control and Refugee Recognition Act (Cabinet Order No. 319 of 1951).</p> <p>d) The applicant should not fall under any of the items of Article 5, Paragraph 1 of the Act above.</p> <p>4 . Processing Time of Issuance</p> <p>In regard to the issuance of a visa, in principle, it usually takes five working days when it is processed at the Embassy or Consulate-General of Japan in China.</p> <p>In the case that the application is referred to the Ministry of Foreign Affairs or relevant Ministries and Agencies in Japan (for example, applications for work or study visas that are not accompanied by a Certificate of Eligibility), it may take longer processing time.</p> <p>In order to reduce the processing time, the applicant is recommended to obtain a Certificate of Eligibility (see above) beforehand in Japan and submit it along with the visa application form.</p> <p>5. Inquiries</p> <p>In case that the applicant wishes to obtain general or specific information on visa issuance and that he/she wishes to make an inquiry about the status of processing the application, the applicant can contact the Embassy or the Consulate-General of Japan where the application was made.</p> <p>When the applicant wishes to make an inquiry on the status of visa application which has been forwarded to the Ministry of Foreign Affairs in Tokyo, he/she can also make a direct inquiry to the Visa Information Center of the Ministry of Foreign Affairs in Tokyo (+81-3-5501-8431). General information about visas is available on a 24-hours-a-day basis.</p> <p>6. Re-application</p> <p>In case that a visa is denied, the applicant may be able to apply for a visa again. For further information, the</p>
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	<p>applicant can inquire at the Embassy or the Consulate-General of Japan in China where the application was made.</p> <p>7. Further improvement</p> <p>Under the general policy and system above, Japan has undertaken various measures for ensuring greater efficiency and the further convenience of applicants. As for the additional requests of the Chinese side, the Japanese side will continue to make it favorable consideration on paragraphs to be included in the Action Agenda with a view to further the mutual interests.</p> <p>Japan has intention to take a measure to expand the scope of multiple temporary visas for Chinese business persons.</p> <p>Japan is also ready to discuss consular issues under the bilateral consultation framework between relevant authorities.</p>
<p>3.To make cooperative efforts to reduce distribution and logistics cost</p>	<p>·A Japan-China-Korea joint report on circulation and logistics-has been drawn up and is made public on the websites of the Ministry of Economy, Trade and Industry (METI) and the Ministry of Land, Infrastructure and Transport (MLIT) .</p> <p>(http://www.meti.go.jp/press/20060525002/20060525002.html, http://www.mlit.go.jp/kisha/kisha06/15/150525.html)</p> <p>·The purpose of this report is as follows;</p> <p>To form a common view on industrial structures and trends of industries and administration in distribution and logistics.</p> <p>To use the joint report as the factual basis for improving infrastructures and systems that are necessary for companies to conduct efficient distribution and logistics activities overseas.</p>
<p>4.To strengthen management measures</p>	<p>·The date of payment of subcontracted proceeds will be fixed within sixty days, and moreover within as short a</p>

<p>on Outstanding Balances (Receivables)</p> <p>-Educating the market on commercial ethics, improving the legal system (i.e. implementing a more effective system on executing and/or enforcing court rulings)</p>	<p>period as possible, reckoning from the day on which a parental entrepreneur received the work from a subcontractor (the day on which a subcontractor provided the service commissioned in the event of service providing commission; same in the next subsection), regardless of whether or not the parental entrepreneur inspects the content of the work.</p> <ul style="list-style-type: none"> • The date of payment of subcontracted proceeds will be the date on which a parental entrepreneur received the work from a subcontractor when the date of payment was not fixed, or the day prior to the lapse of sixty days reckoning from the day on which a parental entrepreneur received the work from the subcontractor when the date of payment of subcontracted proceeds was fixed in violation of the preceding subsection. (Act Against Delay in Payment of Subcontracted Proceeds, etc. to Subcontractors, Article 2)
<p>5.Facilitation of remittance</p> <p>- Substantially streamline the procedure and paperwork to enable remittance without delay.</p> <p>- Rationalize the conditions required for remittance. Reconfirm that the level of royalty will not be a condition for authorizing remittance.</p> <p>- Ensuring appropriate and timely response to inquiries concerning the status of application for remittance</p>	<ul style="list-style-type: none"> • According to the Foreign Exchange and Foreign Trade Law, there is no remittance regulation for less than 30 million yen. Over 30 million yen, report must be submitted, on an ex post fact basis to authorities, in order to compile statistics. Authorization is not required for remittance regardless of the amount.

<p>6. Timely granting of distribution rights</p> <ul style="list-style-type: none"> - Make public the specific and detailed conditions for granting distribution rights. - Rationalize the conditions for granting distribution rights. - Minimize the restrictions for granting distribution rights. In particular, restrictions beyond the relevant WTO obligation should not be applied. - Accelerate the procedure for granting distribution rights 	<p>· There is complete national treatment for the distribution sector in Japan. Distribution rights are not required to engage in distribution activities in Japan.</p>
<p>7. Facilitation of capital reduction and withdrawal</p> <ul style="list-style-type: none"> - Ensuring authorization by the authorities of capital reduction and withdrawal without delay or conditions 	<p>· According to the Companies act, there is no authorization required by the authorities for capital reduction or withdrawal.</p>

<p>8.Flexibility in borrowing</p> <p>- Raise the ceiling for borrowing with the guarantee by the parent company</p>	<p>· There is no ceiling for borrowing with the guarantee by the parent company.</p>
<p>9.To ensure that labor disputes will not impede the operation of companies</p>	<p>Based on the law, the Government of Japan assists the parties concerned with labor relations in achieving an independent settlement of the differences in their claims concerning labour relations in order thereby to prevent the occurrence of acts of dispute (Labour Relations Adjustment Law (Law No.25 of September 27,1946))</p>

2-2. Contact point

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3. The Republic of Korea

3-1. Details of measures for improvement of business environment

a. Transparency of laws and regulations

ACTION	IMPLEMENTATION
<p>1. To establish an information exchange system among the three countries with a view to providing prompt investment-related information including the details of regulations, criteria, and procedures</p>	<p><i>Invest KOREA</i> provides links to China and Japan’s investment-related websites (Invest China, JETRO). www.investkorea.org</p>
<p>2. Measures to respond to specific questions concerning rules and regulations</p>	<p>Relevant Ministries and “<i>Invest KOREA</i>” respond to questions concerning rules and regulations (Civil Petitions Treatment Act, Article 8).</p> <p>Particularly, for inquiries related to FDI, <i>Invest KOREA</i> provides comprehensive information.</p> <p>- <i>Invest KOREA</i> Investment Administration Team/ Investment Consulting Team /On-line Team (ikonline@kotra.or.kr) Tel:82-2-3460-7545/7654/7577 Fax:82-2-3460-7946/7947 www.investkorea.org</p> <p>MIKE(Ministry of Knowledge Economy, formerly MOCIE) Overseas Investment Policy Division fdikorea@mke.go.kr</p>

	<p>Tel:82-2-2110-5355, Fax:82-2-504-4816</p> <p>www.mke.go.kr</p>
<p>3. To introduce a public comment system</p>	<p>When intending to enact, amend, or abolish acts and subordinate statutes, administrative agencies preparing the legislation concerned shall announce in advance the purpose of the legislation, important contents therein, or its entire text by the means of the Official Gazette, internet, newspaper, etc. for more than 20 days and any person may submit opinions concerning the pre-announced legislation.(Administrative Procedures Act, Article 41 through 45)</p>
<p>4. To make an unequivocal commitment that those laws and regulations pertaining to or affecting investment are published or made available to other members</p>	<p>Investment-related information including laws and regulations is provided on the websites of <i>Invest KOREA</i> and other relevant Ministries.</p> <p>- <i>Invest KOREA</i>: www.investkorea.org</p> <p>- Korea e-government: http://www.egov.go.kr/eng/index_portal.html</p> <p><i>Invest KOREA</i> provides comprehensive information including investment-related laws, regulations and market conditions focusing on the needs of foreign investors. All information is provided in English, Chinese and Japanese.</p> <p>Korean laws are provided on the website of the Ministry of Government Legislation (in Korean).</p> <p>- The Ministry of Government Legislation: www.moleg.go.kr</p> <p>The English version of Korean laws concerning FDI are provided on the Website of Invest KOREA free of charge.</p> <p>The English version of other Korean laws are available on the website of Korea Legislation Research Institute with a</p>

	<p>fee.</p> <p>- Korea Legislation Research Institute: www.elaw.klri.re.kr</p> <p><i>Invest KOREA</i> provides a one-stop service to foreign investors regarding site selection, taxation, accounting, labor-management relations, investment procedures and incentives.</p> <p>- <i>Invest KOREA</i>, Investment Administration Team: Tel: 82-2-3460-7545</p> <p>- <i>Invest KOREA</i> on-line consulting: http://www.investkorea.org/</p> <p>To step up administration support for foreign investors, <i>Invest KOREA</i> increased the number of dispatched government officials from different ministries and the Investment Administration Team from 11 in 2003 to 20 in 2008. The members have expertise in areas such as taxation, customs procedures and labor-management relations and will provide answers to foreign investors with specific questions related to Korean laws.</p>
<p>5. To Make an unequivocal commitment that people or companies shall not be disadvantaged for not following administrative guidance which is not specifically based on laws or regulations or for raising legitimate concerns including</p>	<p>Persons imposing the Administrative Guidance shall not treat the subjects of Administrative Guidance disadvantageously owing to the subjects' non-compliance with the Administrative Guidance in question. (Administrative Procedures Act, Article 48 through 51)</p>

IPR infringements	
6. To adopt a system which responds to questions concerning the status of applications to the governments after the period of time stipulated in the relevant laws and regulations has passed	<p>An administrative organization shall conduct administrative matters in a transparent and fair manner to protect the rights of the public. (Administrative Procedures Act, Article 1)</p> <p>When a person inquires about implementation of laws and regulations, the administration shall notify the person of necessary documents and procedures. It shall review the application and inform the person of its decision. (Administrative Procedures Act, Article 17 and 19)</p> <p>Before an administrative measure is taken, the person concerned may present his/her opinion and the administrative agencies shall take into consideration the opinion if it has convincing grounds. (Article 27.2 of the Administrative Procedures Act)</p>
7. To provide a clear explanation, preferably in written form, when declining requests for licenses or authorization	<p>When an administrative measure is taken against the request of an applicant, a related agency shall provide the reason(s) and the grounds for the measure. All administrative measures shall be documented in principle. (Article 23 and 24 of the Administrative Procedure Act)</p>
8. To introduce an authorized responding system	<p>Administrative organizations shall deal with civil service applications including questions and interpretations about laws and regulations prior to any other kinds of applications.</p> <p>The law also says that applicants can demand that the relevant administrative organizations and supervisory organizations handle the applications without delay if their applications are properly dealt with in a period of time</p>

	<p>stipulated in the relevant laws and regulations. (Civil Petitions Treatment Act, Article 7 through 9)</p>
<p>9. To introduce measure to respond to questions concerning the interpretation and details of rules and regulations.</p>	<p>In general, the administrative agencies that execute the laws and regulations make and publish guidelines that include the application of the laws and regulations. When a question is raised relating to business activity, the concerned agency will provide clear and official answers. (Administrative Procedures Act , Article 17-5)</p> <p>Based on the Foreign Investment Promotion Act, the “Foreign Investment Ombudsman” and the “Grievance Settlement Organization” have been answering questions about interpretation and details on a variety of rules and regulations, management of foreign investment companies and difficulties in living in Korea.(Foreign Investment Promotion Act, Article 15.2)</p> <p>- <i>Invest KOREA</i>: provides information for investors and online consulting services in real time (www.investkorea.org) (TEL:82-2-3460-7545/7550,FAX:82-2-3460-7946/7944)</p> <p>- Foreign Investment Ombudsman Grievance Settlement Organization: Aftercare for foreign investment companies.</p>
<p>10. To answer questions concerning the status of applications or the responses to allegations of IPR infringement</p>	<p>KIPO provides information on the status of applications for patents, utility models, designs and trademarks, through the Korean Industrial Property Rights Information Service (www.kipris.or.kr) in English and Korean. In addition, KIPO operates a call center that answers all questions on industrial property rights and on the status of applications. (Tel:1544-8080)</p> <p>As for criminal complaints concerning IPR violations, the accusers are informed of the result of their case.</p> <p>When the case is prolonged, an interim notice can be made available</p>

	<p>The Ministry of Culture, Sports and Tourism provides information on the status of piracy for CDs, DVDs, and so on through the Korean Copyright Protection Center (www.cleancopyright.or.kr, Tel 82-2-1588-0190) in Korean.</p>
<p>11. To introduce a system to appeal and review administrative decisions</p>	<p>Under the Administrative Appeals Act, anyone can file an appeal within 90 days of his/her knowledge of an administrative disposition on the grounds of illegality or unreasonableness. The administrative agency taking the administrative measure in question will then review the appeal and may voluntarily revoke or modify its disposition. If not, the agency immediately above it acts as the ruling authority and may revoke or modify the disposition within 60 days in accordance with the decision by an independent administrative appeals commission.</p> <p>The Administrative Litigation Act provides for a judicial review of the legality of an administrative disposition which may or may not have been subject to an administrative appeal. The Ombudsman of Korea under the office of the Prime Minister also receives complaints from citizens regarding unlawful or unreasonable administrative measures and may recommend correction to the head of the relevant administrative agency.</p>
<p>12. Transparency and predictability of taxation</p> <ul style="list-style-type: none"> - Enhance transparency of taxation by making public the specifics of applying taxes. - Announce changes in taxation with sufficient time in advance. - transparency in tax examination 	<p>Details on Korean tax laws are available on the website of the Ministry of Strategy and Finance (MOSF), the National Tax Service (NTS) or the Ministry of Public Administration and Security (MOPAS) (in the case of local taxes). The websites provide an FAQ section and the means to make inquiries on tax laws., The web addresses(in English) are available as follows:</p> <ul style="list-style-type: none"> - MOSF: http://english.mosf.go.kr/public/direction_list.php?sect=pubs_korea - NTS: http://www.nts.go.kr/eng/index.asp - MOPAS: http://wetax.go.kr

In Korea, revision of tax laws is generally conducted sometime during the second half of each year. The MOSF publicizes revisions to be made through a press release in August and thereafter officially announces proposed tax laws in the form of an advance notice of proposed rulemaking in September. After the official announcement, anyone may present his/her views thereon.

The National Tax Service (NTS) adopts the self-assessment system for most taxes including VAT, corporation tax, liquor tax, and income tax. Therefore, taxpayers are required to file tax returns and pay proper taxes voluntarily to fulfill their duties as taxpayers. However, those being suspected of tax evasion are subjected to strict examination. The Commissioner of the NTS applies a guideline to ensure the uniform execution of tax-related laws. All tax officials should abide by the guideline for an examination. On March 6, 2006, the NTS publicized the guideline (in both Korean and English language) which can be referred to at the NTS web-site.

The Basic Law for National Taxes and the guidelines stipulate the following issues:

- The conditions for carrying out the tax investigation
- The procedure and timeframe of the investigation
- The notification of investigation results to taxpayers
- Taxpayers' rights and appeal procedures

<p>13. Effectiveness and transparency of legal proceedings</p> <ul style="list-style-type: none"> - Make public all of the decisions by the court - Ensure full enforcement of court rulings 	<p>The Court Library compiles and publishes court decisions deemed important in the form of official casebooks such as the Collection of Supreme Court Decisions, the Summaries of the Supreme Court Decisions, and the Collection of Lower Court Decisions. All Supreme Court decisions and most lower court decisions are also available online at the Combined Judicial Information website (http://glaw.scourt.go.kr).</p>
<p>14. Government procurement</p> <ul style="list-style-type: none"> - Enhance transparency in government procurement - Ensure fair and open opportunities to foreign affiliated companies or products/ services in government procurement - Promptly participate in the Government Procurement Agreement 	<p>As a member of the WTO Agreement on Government Procurement Agreement (GPA), Korea implements international tendering in accordance with the GPA. Suppliers from the members of the GPA can participate in the Korean government procurement market on equal terms with Korean suppliers. The government procurement of central government in Korea is governed by the Act relating to the Contract to which the State is a Party, which falls under the jurisdiction of the Ministry of Strategy and Finance, the primary channel for procurement policy formulation. The government procurement of sub-central government entities is governed by the Act relating to the Contract to which the Local Government is a Party, which is under the control of the Ministry of Public Administration and Security. The government procurement of government-invested enterprises is governed by the Act on the Public Entities' Operation, which is also implemented by the Ministry of Strategy and Finance. As the central procurement agency, PPS(Public Procurement Service) operates the electronic procurement system KONEPS(Korea ON-line E-Procurement System). KONEPS enhanced transparency and equity of public procurement by functioning as the sole window for access to all relevant information on public sector procurement.</p> <p>http://www.g2b.go.kr</p>

<p>15. Make public all laws and regulations related to foreign investment in a timely and accurate manner by uniform platform</p>	<p><i>Invest KOREA</i> homepage provides laws and regulations related to FDI.</p> <p>- <i>Invest KOREA</i> homepage is as follows ; http://www.investkorea.org</p> <p>The Ministry of Government Legislation provides all new laws and regulations (in Korean) on its website.</p> <p>- Ministry of Government Legislation website: www.moleg.go.kr</p> <p>The Korea Legislation Research Institute provides most of the Korean laws and regulations (in English) on its website.</p> <p>- Korea Legislation Research Institute website: www.elaw.klri.re.kr</p>
<p>16. To standardize the enforcement and inspection on foreign enterprises</p> <ul style="list-style-type: none"> - clarify conditions of enforcement and inspection - make the inspection results public promptly - Prohibit groundless fining or searching 	<p>1. General</p> <p>Tax examination and tax criminal investigation are conducted equally, fairly and indiscriminately against entities or persons involved regardless of the nationality or the degree of ownership by Chinese entity/entities and Japanese entity/entities. The transparency of the related laws and regulations will be heightened continuously.</p> <p style="padding-left: 40px;">See Article 81-2 through Article 81-12 of the Basic Law for National Taxes</p> <p>2. Audit Selection</p>

	<p>The same audit selection procedures shall be applicable for Chinese/Japanese companies and domestic companies alike.</p> <p>The audit selection process is open to the public as follows:</p> <ul style="list-style-type: none"> - Public announcement of basic rules governing the selection of corporations for 2006 periodic examinations (Aug. 30, 2006) -Public announcement of basic rules governing the selection of corporations for 2007 periodic examinations (July 23, 2007) -The 「Advisory Committee for Audit Selection」 is operated, consisting of tax experts such as external lawyers. <p>3. Enforcement and inspection</p> <p>To ensure better predictability in business for foreign investors, tax laws are interpreted according to internationally acceptable standards (e.g., OECD TP Guidelines, etc.).</p> <p>Extra tax audits are not conducted over Chinese/Japanese companies for transfer pricing if there is no suspicion of tax evasion.</p> <p>As is the case with domestic companies, transfer pricing examinations are incorporated into the course of regular corporate tax examinations.</p> <p>To eliminate any differences in opinion between a taxpayer and a tax auditor, the NTS encourages the</p>
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	<p>use of the Advance Pricing Arrangements.</p> <p>4. Notification of tax audit and result</p> <p>Chinese/Japanese companies have now more sufficient time to be prepared for tax audits, as a notice of tax audit is made earlier, with consideration of their unique business characteristics such as communication with the overseas headoffice, and document preparation .</p> <p>Advance notification of tax audit is made earlier from the previously stipulated 10 days to 15 days before the commencement of tax audit.</p> <p>In addition, the NTS may request taxpayers to submit overseas documentary evidence related to international transactions when sending taxpayers an advance notification of audit selection, minimizing taxpayers' inconvenience.</p> <p>The provision for the written notice of audit results is stipulated in Article 81-9 of the Basic Law for National Taxes.</p> <p>5. Protection of taxpayers' rights</p> <p>The NTS shall publicly announce the Charter of Taxpayer's Rights which includes the provisions for protection of taxpayers' rights (Article 81-2-1 of the Basic Law for National Taxes).</p> <ul style="list-style-type: none"> -A tax official must present the Charter of Taxpayers' Rights to the taxpayer during a tax audit (Article 81 2-2 of the Basic Law for National Taxes). - In order to strictly enforce relevant regulations, "the National Tax Officials' Oath" is made in writing by a tax auditor.
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	<p>In a tax audit, an audited company has the right to receive assistance from a lawyer or a tax expert. This allows taxpayers the opportunity to have expert opinion on their own behalf.</p> <p>[Other Administrative inspection]</p> <ol style="list-style-type: none"> 1. Other Administrative inspections are conducted equally, fairly and indiscriminately against entities or persons involved regardless of the nationality or the degree of ownership by Chinese entity/entities and Japanese entity/entities. 2. The transparency of the related laws and regulations will be heightened continuously.
<p>17. To introduce the system in order to indicate incomplete applications. (Additional Measures, Japan)</p>	<p>In case of any deficiencies in the required documents for an application, the relevant administrative agency shall, without delay, request the applicant to remedy the deficiencies within a reasonable period time. (Administrative Procedures Act , Article 17-5)</p>

b. Protection of intellectual property rights(IPRs)

ACTION	IMPLEMENTATION
<p>1. The IPR authorities of the three countries should pay special attention to and strengthen cooperation on the issues related to IPR protection</p>	<p>Since 2001, an annual trilateral meeting has been held among the commissioners of the Korean Intellectual Property Office (KIPO), the State Intellectual Property Office of the People's Republic of China (SIPO) and the Japan Patent Office (JPO). In the trilateral meeting, the three Offices have discussed cooperative schemes in the field of automation, patent examinations, and so on.</p> <p>Besides the trilateral commissioners meeting, KIPO has had annual bilateral meetings with SIPO and the JPO. At the bilateral meetings, the commissioners discuss current IPR issues and explore cooperative measures.</p> <p>In addition, since 2003, the three Offices have been holding meetings for the Joint Experts Group for Automation. The fifth meeting, which was held in October 2007, covered issues such as the exchange of priority certificate data, the technical possibility for establishing dossier access environment, establishment of the Korean-Chinese-Japanese technical thesaurus, the establishment of special website <http://www.tripo.org> and data exchange among the three Offices.</p> <p>The JPO and KIPO started the Patent Prosecution Highway (PPH) on April 1, 2007. The PPH is a program under which a patent application can enjoy the benefit of accelerated examination once the patent application has been determined patentable at the office of the first filing. The KIPO-JPO PPH is expected to enhance the patent examination quality and accelerate the examination process at both offices.</p> <p>The JPO and KIPO hold a trademark examiner meeting and design examiner meeting every year to exchange ideas on laws, regulations and examination practices. The two Offices held the first patent experts meeting in December 2007.</p>

	<p>The Ministry of Culture, Spots and Tourism signed a MOU with China in September. The two parties carried out a Joint investigation of illegal copies from the end of 2006 to the beginning of 2007.</p> <p>Every year, the Ministry of Culture, Sports and Tourism holds a Korea-China Copyright Forum and Asian Pacific Copyright Forum in order to strengthen cooperation among Korea, China, and Japan</p>
<p>2. To establish a court system specializing in disputes over intellectual property rights</p>	<p>The Patent Court of Korea was established in 1998 as a special high-level court.</p> <p>The Patent Court has jurisdiction over cases set forth in Article 186(1) of the <i>Patent Act</i>, Article 75 of the <i>Industrial Design Protection Act</i>, and Article 86(1) of the <i>Trademark Act</i>, as well as other first instance proceedings of cases that come under the jurisdiction of the Patent Court pursuant to laws such as Article 105 of the <i>Seed Industry Act</i>.</p> <p>The Patent Court has exclusive jurisdiction over all appeals related to cancellation proceedings for a patent, utility model, design, or trademark at the Korean Intellectual Property Tribunal, which is headed by the KIPO Commissioner. However, the Court's jurisdiction is limited to determining the validity and scope of a patent and other registered rights. Ordinary courts deal with the category of patent infringement cases, such as preliminary injunctions, compensation for damages, and injunctions for the restitution of commercial credit.</p> <p>The Patent Court now consists of a chief judge, four presiding judges, 12 judges, 17 technical examiners and a secretariat. Four divisions, each consisting of two three-judge panels, hear the cases. Highly technical matters are referred to technical examiners with vast experience in various scientific fields, such as mechanical, electronic and chemical engineering.</p>

	<p>The Patent Court is an appellate-level court. However, there is no hierarchical relation between the cancellation proceedings of the Patent Court and the proceedings of the Intellectual Property Tribunal, and the records from the proceedings of the Intellectual Property Tribunal are not transferred to the Patent Court. Accordingly, the same contentions and evidence already submitted to the Intellectual Property Tribunal must be submitted again to the Patent Court for a new determination at the Patent Court. Any appeal of the Patent Court's decisions should be brought directly to the Supreme Court.</p> <p>Established in 1998, the Intellectual Property Tribunal is a quasi-judicial body with jurisdiction over appeal examinations that range from examiners' final rejections (ex parte proceedings) to administration trials on determining the scope of a right (inter partes proceedings).</p> <p>Ex parte proceedings include appeal examinations of the following: refusal decisions of examiners, refusals to extend the duration of rights, invalidation decisions, and refusals of an amended application.</p> <p>Inter partes proceedings include the following: trials for invalidating patents, utility models, trademarks and designs; trials for determining the scope of rights; and trials for an amendment or invalidation of an amendment.</p> <p>The decisions of the tribunal are final and may not be appealed. However, the parties to the proceedings may dispute the validity of the decisions at the Patent Court of Korea.</p>
<p>3. Japan suggested that review mechanisms should be established to address and provide recommendations to resolve specific issues concerning IPR protection</p>	<p>The ministries in charge of IPR protection are considering Japan's proposal for a high-level working group.</p>

<p>raised by foreign companies.</p>	
<p>4. To enhance national laws and regulations in the field of copyrights, trademarks and patents to prevent violation of intellectual property rights including illegal online copies</p>	<p>Copyright law has been amended to provide for higher level of protection for copyrights (Law No. 6134, January 12, 2000, Law No. 6881, May 27, 2003, Law No. 7233, October 16, 2004)</p> <p>Several related laws were amended recently to strengthen the protection of IPRs.</p> <ul style="list-style-type: none"> - Copyright law was amended to provide "Interactive Transmission Right" to performers and producers of phonograms as well as copyright holders. - The amended law provides protection of technological protection measures and rights management information used by the copyright holder. - Matters related to liabilities of online service providers in case of copyright infringements were clarified. <p>In 2004, Article 2 of the <i>Trademark Act</i> was amended to protect geographical indications as a trademark.</p> <p>Measures for the protection of confidential information are to be incorporated into the procedural laws for IPR litigation. The new law will set out legal measures for protecting information that is acquired in the litigation process. Accordingly, revisions will be made to Article 224^{ter}, 224^{quater} and 224 ^{quinquies} of the <i>Patent Act</i>, Article 44 of the <i>Utility Model Act</i>, Article 92^{septies}, 92^{octies} and 92^{novies} of the <i>Trademark Act</i>, Article 81^{bis}, 81^{ter} and 81^{quater} of the <i>Industrial Design Protection Act</i> and Article 14^{quater}, 14^{quinquies} and 14^{sexies} of the <i>Unfair Competition Prevention and Trade Secret Protection Act</i>.</p> <p>A system of statutory damages will be introduced in the intellectual property laws, and Article 67^{bis} of the <i>Trademark Act</i> will be revised accordingly.</p>

Copyright law has been amended to provide for a higher level of copyright protection (Law No. 6134, January 12, 2000, Law No. 6881, May 27, 2003, Law No. 7233, October 16, 2004, Law No. 8101, December 28, 2006).

Several related laws were amended recently to strengthen the protection of IPRs.

- Copyright law was amended to establish new rights to integrity and attribution which are associated with personal rights to performers and rights to distribute reproductions of performances and rights on live performance, which is not fixed by any method, to performers.
- Copyright Law was amended to provide that technical measures shall be taken at the request of right holders to discourage illegal transmission of their works with respect to online service providers whose business intends to promote sharing of files between individuals,
- Copyright Law was amended so that repeated violations of copyrights for commercial purposes shall be excluded from the list of offenses subject to complaint, in order to allow prosecution without filing by right holders.
- Copyright Law was amended so that the Minister of Culture and Tourism shall be authorized to collect, discard, and delete the illegal copies, and to protect cultural industry from piracy.

The *Patent Act*, article 225 (Offense of Infringement) and the *Trademark Act*, Article 93 (Offense of Infringement) were amended to strengthen the penalties for violation of patents and trademarks in 2001.

Also, the *Unfair Competition Prevention and Trade Secret Protection Act*, article 18(Penal Provision) was amended to strengthen the protection of trade secrets in 2004.

	<p>Furthermore, Korea amended the <i>Trademark Act</i>, article 2 to protect the Geographical Indication as a trademark in 2004.</p>
<p>5. To review administrative penalties (upgrading minimum level of nonpenal fines), criminal penalties (expanding scope) and level of compensation for damages</p>	<p>Copyright law has been amended to extend the scope of infringing activities (2003, Law No. 7233, October 16, 2004).</p> <p>Several related laws were amended recently to strengthen the protection of IPR.</p> <p>The amended law provides for penal punishments in case of copyright infringements in relation to technological protection measures and rights management information.</p> <p>In 2001, Article 14<i>bis</i> (Presumption etc. on the Amount of Damages) of the <i>Unfair Competition Prevention and Trade Secret Protection Act</i> was amended to facilitate the estimation of damages.</p> <p>In 2004, Article 18 (Penal Provision) of the <i>Unfair Competition Prevention and Trade Secret Protection Act</i> was amended to strengthen the protection of trade secrets. Moreover, this Article was amended again in December 21, 2007 to further strengthen the effectiveness of trade secret protection by extending the maximum period of penal servitude, so that a person who leaks trade secrets abroad is to be sentenced to maximum 10 years in prison.</p> <p>A system of statutory damages will be introduced in the intellectual property laws, and Article 67<i>bis</i> the <i>Trademark Act</i> will be revised accordingly.</p>

<p>6. To establish cooperative network relating to violation of intellectual property rights in cross-border cases</p>	<p>Efforts for a concerted international response to cross-border IPR offenses have been made such as holding Korea-U.S. workshops for prosecutors in charge of IPR cases, holding talks with Japan and ASEAN on how to prevent trade disputes and to further cooperate in the IPR area.</p> <p>As such talks promote progress, the establishment of a cooperative network among Korea, Japan and China to better cope with cross-border IPR offenses shall be considered.</p>
<p>7. To establish help-desk(s) to receive complaints from foreign investors</p>	<p>Various difficulties and complaints including IPR-related issues raised by foreign investors are being received and handled by the “Foreign Investment Ombudsman” and the “Grievance Settlement Organization”</p> <p>www.i-ombudsman.or.kr</p>
<p>8. To raise awareness of businesses and consumers regarding Intellectual Property Rights</p>	<p>The Copyright Protection Center was created in April 2005 to conduct systemized and effective anti-piracy activities both online and offline.</p> <p>Ministry of Culture and Tourism held an event for Intellectual Property Rights' Day in 2005 to enhance public awareness about copyright protection and also published a guidebook on copyrights for the public.</p> <p>In 1987, KIPO established a special Industrial Property Protection Team to implement anti-counterfeiting measures. In conjunction with the prosecution, the police and local autonomous authorities, the team investigates and issues warnings to those who commit acts of unfair competition.</p> <p>The team set up the Intellectual Property Protection Policy Committee to enhance anti-counterfeiting activities.</p> <p>It also trains police, customs officers and local government officials on how to execute efficient anti-counterfeiting activities.</p>

	<p>KIPO also raises public awareness of IPRs through electronic sign boards and books on well-known trademarks.</p> <p>Public awareness programs are conducted through various media outlets such as Internet portal sites, TV and newspapers.</p> <p>Cooperation is progressing with related ministries, such as the Customs Office.</p> <p>The Copyright Protection Center was created in April 2005 to conduct systemized and effective anti-piracy activities both online and offline.</p> <p>Ministry of Culture and Tourism has held an event for World Intellectual Property Rights' Day annually since 2001 to enhance public awareness about copyright protection and has implemented anti-piracy campaign with the Korean Broadcasting System.</p> <p>In 1987, KIPO established a special division which implements anti-counterfeiting measures, and in conjunction with prosecutors, the police and local autonomous authorities, investigates and issues warnings to those who commit acts of unfair competition. It also trains police, customs officers and local government officials on how to execute efficient anti-counterfeiting activities. Furthermore, KIPO raises public awareness of IPRs through an electronic sign board and books on well-known trademarks.</p>
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c. Dispute consultation mechanism including at the local level

ACTION	IMPLEMENTATION
<p>1. To establish Claim Centers by each country</p>	<p>In order to facilitate resolution of foreign investment-related grievances, the Office of the Investment Ombudsman was established. (Article 15-2 of the Foreign Investment Promotion Act)</p> <p>Foreign Investors can receive consultation or assistance by filing complaints through the Office of the Foreign Investment Ombudsman.</p> <p>- Contact Information - Investment Ombudsman Office Tel: 82-2-3460-7631 Website: www.i-ombudsman.or.kr</p> <p><i>Invest KOREA</i> Investment Aftercare Team Tel : 82-2-3460-7633</p> <p><i>Invest KOREA</i> retains a group of experts (government officials) dispatched from government agencies to work in areas where the foreign investors frequently file complaints, for example, investment procedure, customs, immigration, labor and management relations, and incentives.</p> <p>Through <i>Invest KOREA</i>, foreign investors can receive investment-related consultation, acquire information and resolve difficulties.</p>

- Contact Information -

Invest KOREA Investment Administration Team

Telephone: 82-2-3460-7560

Invest KOREA Site: www.investkorea.org

Any complaints regarding foreign direct investment on the central government level by foreign investors can be filed to MKE, MOSE, MOFAT, and other Ministries. The Ministry that received the complaint will resolve the matter through consultation with other government agencies.

- Contact Information -

Ministry of Knowledge Economy (Overseas Investment Policy Division)

Tel: 82-2-2110-5377

Ministry of Strategy and Finance

(Economic Cooperation Division)

Tel: 82-2-2150-2613

Ministry of Foreign Affairs and Trade

(East Asian Trade Division)

Tel : 82-2-2100-7679

<p>2. To establish a Dispute Consultation Mechanism between local governments and foreign business communities. Such activities would be redoubled and conducted further by other local governments</p>	<p>If there are any complaints regarding foreign direct investment on the regional government level, KOTRA's or regional offices can provide consultation or help.</p> <p>- Contact Information -</p> <p>KOTRA regional offices Homepage: http://www.kotra.or.kr</p> <p><i>Gyeonggi-do</i> Office: 82-31-259-7820 <i>Daegu / Gyeongbuk</i> Office: 82-53-383-8444 <i>Incheon</i> Office: 82-32-421-6456 <i>Busan</i> Office: 82-51-740-7801 <i>Gyeongnam-do</i> Office: 82-55-212-1300 <i>Gwangju / Jeollanam-do</i> Office: 82-62-611-2811 <i>Daejeon / Chungchungnam-do</i> Office: 82-42-864-1717 <i>Jeollabuk-do</i> Office: 82-63-214-4611 <i>Chungcheongbuk-do</i> Office: 82-43-236-4492 <i>Gangwon-do</i> Office: 82-33-256-4181 <i>Ulsan</i> Office: 82-52-227-7744 <i>Jeju-do</i> Office: 82-64-747-7123</p> <p>To find KOTRA's regional office website, please visit www.kotra.or.kr</p> <p>Further, foreigners may file complaints to the foreign investment promotion teams at the regional government bodies.</p>
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	<p>(Foreign Investment Promotion Act, article 16)</p> <p>* Refer to C-4 for contact information of the regional administrative institutions.</p>
3. To establish a Dispute Consultation Mechanism in national and local governments	<p>The foreign investment Ombudsman receives grievances from foreign companies and works to find amicable solutions to these disputes on the regional or central government level.</p> <p>- Website : www.i-ombudsman.or.kr</p> <p>- Tel : 82-2-3460-7631</p>
4. To establish local help-desks for claimants	<p>A KOTRA regional office receives a complaint from a foreign company and finds an amicable solution to the dispute on the regional government level. (Refer to C-2)</p> <p>Korea has foreign investment promotion teams of 16 “<i>si/do</i>” (local government) to provide assistance to foreign investors.</p> <p>- Contact Information -</p> <p><i>Seoul</i>: 82-2-2171-2794</p> <p><i>Busan</i>: 82-51-888-3032</p> <p><i>Daegu</i>: 82-53-803-3471</p> <p><i>Incheon</i>: 82-32-440-3842</p> <p><i>Gwangju</i>: 82-62-613-4061</p> <p><i>Daejeon</i>: 82-42-600-3665</p> <p><i>Ulsan</i>: 82-52-229-3072</p>

	<p><i>Gyeonggi-do</i>: 82-31-249-2184 <i>Gangwon-do</i>: 82-2-582-6760 <i>Chungcheongbuk-do</i>: 82-43-220-3232 <i>Chungcheongnam-do</i>: 82-43-2203850 <i>Jeollabuk-do</i>: 82-63-280-3862 <i>Jeollanam-do</i>: 82-61-286-5121 <i>Gyeongsangbuk-do</i>: 82-53-950-2174 <i>Gyeongsangnam-do</i>: 82-55-211-3413 <i>Jeju-do</i>: 82-64-710-3374</p> <p>Korea E-Government Homepage: http://www.egov.go.kr/eng/index_portal.html</p> <p>Moreover, the Investor Support Center has established an emergency hotline service (1600-7119, English only) to provide assistance to investors after business hours.</p>
<p>5. Effectiveness of dispute consultation</p> <p>- Ensure timely and complete feedbacks, in written form, to claims made to Claim Centers</p>	<p>The Foreign Investment Ombudsman has ensured timely and complete feedback in written form.</p> <p>- Foreign Investment Ombudsman Tel : 82-2-3460-7631 Website : www.i-ombudsman.or.kr</p> <p>- <i>Invest KOREA</i> Problem Resolution Office for Foreign Companies: 82-2-3460-7633</p>

d. Promotion of investment and relevant services

ACTION	IMPLEMENTATION
<p>1. To build and expand “one stop service center” for central or local governments of each country</p>	<p><i>Invest KOREA</i>, Korea's national investment promotion agency, was established within the Korea Trade-Investment Promotion Agency (KOTRA) with the sole purpose of supporting the entry and successful establishment of foreign business into Korea. With assistance extending to comprehensive post-establishment services, <i>Invest KOREA</i> enables foreign corporations to maximize the benefits of the Korean investment environment to ensure their rapid settlement in Korea.</p> <p>The agency is committed to providing an unmatched, comprehensive one-stop service that allows foreign investors to join many of the world's most successful corporations who have selected Korea as an investment destination and have been rewarded by high returns on the investment.</p> <p><i>Invest KOREA</i> attracts foreign investment by identifying potential foreign investors, supporting investment projects, providing aftercare services for foreign investors, and building a cooperative network with related organizations. <i>Invest KOREA</i> 's investment promotion and support capability was considerably strengthened by the introduction of the Project Manager (PM) system, under which a PM is designated for each investment project to offer customized support throughout its entirety, from providing investment consultations and obtaining licenses and approvals to actually launching a business.</p> <p>In addition to the project managers, as of April 2008, <i>Invest KOREA</i> retains a group of 28 experts in such areas as finance, tax, law, securities, accounting, and construction to maintain a smooth foreign investment process and ensure investors claim the full range of benefits available.</p>

	<p>With regard to <i>Invest KOREA</i>'s One-Stop Services, the range of services offered by <i>Invest KOREA</i> has been significantly enhanced following the opening of the Investor Support Center (ISC), which was established on Nov. 1, 2006, within <i>Invest KOREA</i> Plaza.</p> <p>The center provides information and assistance on a variety of matters relating to foreign investment and adjustment to life in Korea, from selecting plant sites and forging alliances with Korean partners, to education and accommodation.</p> <p>Additional business-related assistance will be provided by officials dispatched from the Ministry of Justice, the National Tax Service, the Korea Customs Office, and the courts of law. They will offer a broad range of administrative support and respond to complaints made by foreign investors. All services provided by ISC are available in English, Japanese and Chinese.</p> <p>www.investkorea.org Tel: 82-2-3460-7545</p>
<p>2. To cooperate further in the investment promotion activities such as investment fairs and marts</p>	<p>The Korea-China-Japan Business Forum began in 2001.</p> <p>Korea will hold international events to promote foreign investment and enhance international cooperation in investment promotion activities.</p>
<p>3. To simplify approval and license procedures for investment</p>	<p>Korea is exerting diverse efforts to minimize regulations related to business activities and to simplify procedures in gaining approvals, licenses, authorizations, and so on.</p>

	<p>In particular, Korea possesses a Foreign Investment Committee (Chairman: Minister of Knowledge Economy) in charge of making decisions on major policies and regulations related to foreign investment, and has established and implemented plans to enhance business and the living environment so as to facilitate foreign investment and to become an attractive investment destination.</p> <p>(Foreign Investment Promotion Act, Article 27)</p>
4. To reinforce functions of one-stop-centers and establish their international linkages	<p><i>Invest KOREA</i> provides links to JETRO and Invest in China websites. http://www.investkorea.org</p>
5. To further enhance deregulation(distribution(retailing, wholesale), financial, insurance and travel services. M&A based investments. Opening of domestic stock market(s) for foreign capitals. Abolishing restrictions on foreign capital ratio, etc.)	<p>Korea possesses a Regulatory Reform Committee under the President to simplify procedures in gaining approvals, licenses, or authorizations related to investment and the Foreign Investment Committee chaired by the Minister of Knowledge Economy.</p> <p>Foreign investors can request improvements in regulations to the Foreign Investment Ombudsman, <i>Invest KOREA</i>, or Korea Foreign Company Association (FORCA), if experiencing any inconvenience in the course of gaining approvals, licenses, or authorizations.</p>
6. To reduce the scope of activities that requires licenses or authorization	<p>Korea has been making efforts to speed up the application process for licenses or authorization, for instance, appointing a PM (Project Manager) who handles all the procedures for licenses or authorization on behalf of foreign investors.</p>
7. To clarify conditions and simplify procedures of license issuance,	<p>Enterprises with foreign investment can submit applications to relevant authoritative organizations</p>

<p>document submission, examination and approval of the establishment of enterprises with foreign investment.</p> <p>To ensure that foreign enterprises have the right to submit applications to relevant authoritative organizations without entrusting any designated agencies.</p> <p>*IK (Investment Administration Team, Investment Consulting Team) provides support.</p>	<p>without entrusting agencies.</p>
<p>8. To establish dialogues between the Government and Organization of Companies of other parties, and endeavor to solve problems that companies have encountered in an effective and timely manner</p>	<p>The Korean government regularly meets with the organizations of foreign companies such as Seoul Japan Club (SJC), China Chamber of Commerce in Korea, American Chamber of Commerce in Korea (AMCHAM), and European Union Chamber of Commerce in Korea (EUCCK), preferably at least once a year. The Korean government also holds meetings, whenever requested by the organizations of foreign companies.</p>
<p>9. To provide assistance for foreign investors to find business partners.(Additional Measures, China)</p>	<p><i>Invest KOREA</i> offers foreign investors market information tailored to their fields of interest such as aerospace, automobiles, and IT, and provides assistance for foreign investors to find local companies to establish joint ventures or partnerships.</p> <p>In the future, Korea plans to support an initiative to allow foreign investors to find joint venture partners</p>

	on-line by launching a portal site for foreign investors (www.hikorea.go.kr/pt/index.html)
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e. Coherence of national and local administration

ACTION	IMPLEMENTATION
<p>1. To promote coherence of national and local administration, including consistency in the implementation of rules and regulations at both a national and local government level</p>	<p>The Korean Ministry of Knowledge Economy is in charge of investment-attracting affairs and local governments are maintaining consistency in implementing various rules and regulations related to investment.</p> <p>The final dispute consultation institution is the Foreign Investment Committee, which was established by the Ministry of Knowledge Economy (Foreign Investment Promotion Act, Article 27.1)</p> <p>In Korea, foreign investors rarely suffer from different interpretations of rules and regulations between the central government and local governments.</p> <p>The central government and local governments, if any, hold meetings to reach an agreement on interpretations on rules and regulations and inform foreign investors of the results of the meetings.</p> <p>The Foreign Investment Committee handles the adjustment over differences in opinion between the central government and local governments.(Foreign Investment Promotion Act article 27.1)</p>
<p>2. To train officials at the local level</p>	<p>MKE has been running various educations and training programs designed to produce specialists in the FDI area.</p> <p>The PM (Project Manager) education course runs for 100 hours and helps a PM gain knowledge on FDI-related laws and regulations.</p> <p>A graduate school program specializing in FDI requires 2 years for a master’s degree.</p>

<p>3. To provide details of regulations, criteria, and procedures to the public promptly</p>	<p>Administrative institutions, in principle, must establish criteria for administrative measures and publicly announce them in advance. The administrative measures can be checked at the website of the relevant administrative institution.</p> <p>(Administrative Procedures Act, Article 20)</p> <p>- Related administrative institution(e-government of the Republic of Korea): http://www.egov.go.kr/eng/index_portal.html</p> <p>Through requests to relevant administrative institutions, clear answers are provided on measures that have not been publicly announced or that are ambiguous.</p>
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f. Others

ACTION	IMPLEMENTATION
<p>1. To introduce the system for sharing credit information.</p>	<p>Credit information is currently shared among financial institutions of the Korean Federation of Banks.</p>
<p>2. To take cooperative measures to simplify the business visa-issuing procedure among the three countries.</p> <p>The following items about the issuance of visa, especially long-term multiple entry visa and long-term work visa, should be clarified:</p> <ul style="list-style-type: none"> - conditions for the issuance of visa - procedures of document submission for visa application - shorten the time limit of visa issuance - responds methods regarding inquiries about the postponing or the refusal of visa issuance - appeal channels in the occasion of unreasonable postponing or refusal of 	<p>A. Procedures for short term and long term business visas</p> <p>[C-2 Visa-support for short term business activity]</p> <ol style="list-style-type: none"> 1. Condition for Visa issuance: a foreign national whose purpose of his/her visit to Korea is business-related, such as market research, trade in goods, contract, installment, management, examination, operation of machinery. 2. Visa type <ul style="list-style-type: none"> - Short term Visa: valid for 3 months, the maximum stay is 90 days for single entry - Long term Visa: multiple visas for the given validity. According to the Korean government regulations for visa issuance, such as agreement, the principle of reciprocity, and national interest, multiple entry is possible within a valid time period. 3. Required documents and procedure for visa application: <ul style="list-style-type: none"> - Required documents: documents proving that the purpose of stay is business in nature, such stay permitted by chief of Korea embassies and a consulate general abroad (please see the website for the Korean Embassy and consulate general abroad)

visa issuance	<p>- procedure: apply for the Korean Embassy and consulate general abroad directly.</p> <p>- processing time: generally 3-4 days after submission of application.</p> <p>*The Multiple Visa Agreement is in effect for Korea, China and Japan. A Multiple Visa will be issued depending on contents of the treaty.</p> <p>*Conclusion of a Memorandum of Understanding for entry into Korea and Japan without a visa between Korean and Japan(Entry without a visa permitted for non-business related visits of up to 30 days)</p> <p>*Expansion of eligibility for C-2 and C-3 Multiple Visas to Chinese citizens fulfilling certain social and economic requirements has been implemented on April 21, 2008, pursuant to an amendment to the Korea-China Multiple Visa Agreement</p> <p>[D-7 Visa-support for long term residence activity in branch office of foreign company]</p> <p>0. Condition for Visa issuance: a foreign national whose purpose of visit to Korea is for activity related to a foreign public institution, an organization or a head office/ a branch office and liaison office</p> <p>1. Visa type</p> <p>- Short term Visa: valid for 3 months. The maximum stay is 2 years (the period of stay is extendable).</p> <p>- Long term Visa: multiple entry for the given validity is available. According to the Korean government regulations for visa issuance, such as agreement, the principle of reciprocity, and national interest, multiple entry is possible within a valid time period.</p>
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	<p>3. Required documents and procedure for visa application:</p> <ul style="list-style-type: none"> - Required documents: Temporary duty order or statement of employment, copy of a certificate authorizing the establishment of a branch office or liaison office, documents verifying income or copy of business project, certificate of annual tax - procedure: ① In case a special regulation agreement exists for visa issuance, the visa is issued according to the agreement; ② the Ministry of Justice arranges visa issuance and delegates the authority to the chief of Korean embassies; ③ for a visa without the authority of the chief of Korean missions abroad, a VIC (Visa Issuance Certificate) is generally issued in advance and the Korean missions abroad issues a visa in accordance with the contents of the VIC; ④ for other special instances, a visa is issued with the permission of the Minister for Justice and chief of Korean missions abroad. <p>* Visa Issuance Certificate: VIC is mainly issued when a Korean host applies for visa with the Immigration Bureau, which proceeds with a review system ahead of the employer representing the foreigner on a long term visitor visa, such as work visa.</p> <ul style="list-style-type: none"> - Processing Time : It takes 15 days after submission of the VIC request (it takes 3-4 days for Korean missions abroad) <p>* A D-7 multiple visa is presently valid for Korea, China and Japan and is issued in accordance with the treaty.</p> <p>[D-8 Visa-support for foreign investors and foreign companies]</p> <ol style="list-style-type: none"> 1. Conditions for the visa issuance: According to the Foreign Investment Promotion Act, a foreign investor or a specialist working for management, business, production, technology required in Korea. 2. Visa type
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	<p>- Short term Visa: valid for 3 months. The maximum stay is 5 years (the period of stay and the qualification of stay is changeable).</p> <p>- Long term Visa: multiple entry for a given validity is available. According to the Korean government regulations for visa issuance, such as agreement, the principle of reciprocity, and national interest, multiple entry is possible within a valid time period.</p> <p>3. Required documents and procedure for visa application:</p> <p>- Required documents: Temporary duty order or statement of employment, certificate of the foreigner's investment report, including a copy of the register book or certificate of business registration, certificate of registered investment company.</p> <p>- procedure: ① In case a special regulation exists on visa issuance for an investor from a treaty nation, the visa is issued in accordance with the treaty; ② the Korean government entrusts authorization of visa issuance and delegates authority to the chief of the Korean missions abroad</p> <p>- Processing Time: It takes 7 days after the submission of the requested VIC (it takes 3-4 days for the Korean missions abroad)</p> <p>* A multiple visa treaty is in effect between Korea and China; a multiple visa is issued in accordance with the contents of the treaty.</p> <p>[D-9 Visa-support for foreign investors and foreign companies]</p> <p>1. Condition for the visa issuance: ① According to the Foreign Trade Act and Foreign Trade Management Regulation, a foreign trader possessing a registration number to operate a trading business from the chairman of KITA (Korea International Trade Association); ② a foreign national who is invited or dispatched in an industrial equipment and machinery company and possesses the necessary skills; ③ a foreign national who is dispatched to supervise ship-building and industry equipment manufacturing.</p>
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	<p>2. Visa type</p> <ul style="list-style-type: none"> - Short term Visa: valid for 3 months. The maximum stay is 2 years (the period is extendable) - Long term Visa: multiple entry for a given validity is available. According to the Korean government regulations for visa issuance, such as agreement, the principle of reciprocity, and national interest, multiple entry is possible within a valid time period. <p>3. Required documents and procedure for visa application:</p> <ul style="list-style-type: none"> - Required documents: Statement of employment, copy of the register book or certificate of business registration, documents regarding business income or a copy of the business project, receipt of annual tax payment. - Procedure: <ul style="list-style-type: none"> ① In case a special regulation exists on visa issuance for an investor from a treaty nation, the visa is issued in accordance with the treaty; ② the Korean government entrusts authorization of visa issuance and delegates the authority to the chief of Korean missions abroad. In case the visa lacks authority of chief of Korean missions abroad, a VIC is generally issued in advance and the Korean missions abroad issues a visa in accordance with the contents of the VIC. - Waiting period: It takes 10 days after the submission of the requested VIC (it takes 3-4 days for the Korea Embassy and Consulate General of Korea abroad) * A multiple visa treaty is in effect between Korea and Japan, a multiple visa is issued in accordance with the contents of the treaty to the representative or director of the company. <p>B. Providing convenience of immigration for foreign entrepreneurs</p>
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	<ul style="list-style-type: none"> o To provide convenience for ABTC (APEC Business Travel Card) members <ul style="list-style-type: none"> - ABTC is a response to the demands of the regional business community for simpler short-term entry procedures within APEC. - Businesspeople from participating APEC Economies including China, Korea, and Japan are able to apply for an APEC Business Travel Card from their home Economy. - The application for the Card will also serve as an application for entry authority to each participating Economy. - Once clearance is obtained from participating Economies, cardholders, without further immigration processing, are able to travel to, enter, and undertake business in participating Economies for a minimum of two months, and in case of Korea, three months. - The ABTC is valid for three years. Clearance Service for ABTC applications submitted by Member Economies including China and Japan is to be given in due manner within 14 days, as recommended by APEC. o Expedite Inspection Program <ul style="list-style-type: none"> - Cardholders will enjoy the benefit of expedited immigration procedures at the arrival terminals of Incheon and Gimhae International Airports. <p>C. Grounds for refusal of the General Visa</p> <ul style="list-style-type: none"> - Insufficient/improper documents - Any person subject to the Article11 (Prohibition of Entry) of Immigration Law of Korea
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	<ul style="list-style-type: none"> - Any person failing to prove that his or her entry into Korea will not cause damage to social and national security and public health - Any person who submits false documents regarding purpose of visit - Any person who fails to possess visitation qualifications to Korea under Korea's Immigration laws. <p>Korea has eased its VISA regime to promote foreign investment and facilitate the application process for foreign residents, in particular, twice relaxation of short-term VISA requirements for Chinese investors and businessmen on April 2007 and 2008.</p> <p>Korea will cooperate with China to further ease the VISA regime especially for Chinese investors and businessmen through inter-governmental consultation such as a meeting between Director-General of Consular Affairs of both countries.</p>
<p>3. To make cooperative efforts to reduce distribution and logistics cost</p>	<p>Korea, China and Japan published the first report on distribution and logistics in 2006 in order to share information.</p> <p>The second report will be published within 2008 after a plenary meeting. The preparation of the third report will begin in 2009 and it will be published in 2010.</p> <p>Moreover, the international seminar on distribution and logistics among Korea, China and Japan was held firstly in Shandong province in China in March 2006, secondly in Seoul in June 2007 and Thirdly Tokyo in September 2008 to promote exchange and cooperation.</p>

<p>4. To strengthen management measures on Outstanding Balances (Receivables), Educating the market on commercial ethics and improving the legal system (i.e. implementing a more effective system on executing and/or enforcing court rulings)</p>	<p>If the prime contractor entrusts the subcontractor with the manufacture, he shall pay the subcontracting fee as soon as possible within the limit of sixty days from the date of receiving the materials.</p> <p>Even if the date of payment is determined in excess of sixty days from the receipt date of the materials, the sixtieth day from the receipt day of the materials shall be considered as the payment date of the subcontracting fee.(Fair Transaction in Subcontracting Act, Article 13)</p>
<p>5. Facilitation of remittance</p> <ul style="list-style-type: none"> - Substantially streamline the procedure and paperwork to enable remittance without delay. - Rationalize the conditions required for remittance. Reconfirm that the level of royalty shall not be a condition for authorizing remittance. - Ensuring appropriate and timely response to inquiries concerning the status of application for remittance. 	<p>As long as the submitted documents state the reason for and amount of remittance to the foreign exchange bank, there is no limit for remittance.</p> <p>(Foreign Exchange Transaction Act)</p>
<p>6. Timely granting of distribution rights - Make public the specific and detailed conditions for granting distribution rights. -Rationalize the conditions for ranting distribution</p>	<p>Distribution rights are granted on the condition of notification to and registration in local government.</p> <p>Distribution rights are not regulated in Korea.</p> <p>(Distribution Industry Promotion Act, Article 8)</p>

<p>rights.</p> <ul style="list-style-type: none"> - Minimize the restrictions for granting distribution rights. In particular, restrictions beyond the relevant WTO obligation should not be applied. - Accelerate the procedure for granting distribution rights. 	
<p>7. Facilitation of capital reduction and withdrawal</p> <p>Ensuring authorization by the authorities of capital reduction and withdrawal without delay or conditions.(Additional Measures, Japan)</p>	<p>According to the Commercial Act, there is no authorization required by the authorities for capital reduction or withdrawal.</p> <p>(Commercial Act)</p>
<p>8. Flexibility in borrowing</p> <p>Raise the ceiling for borrowing with the guarantee by the parent company</p>	<p>There is no ceiling for borrowing with the guarantee by the parent company.</p>
<p>9. To ensure that labor disputes shall not impede the operation of companies</p>	<p>With regard to labor disputes taking place at industrial sites, the Korean government encourages labor and management to autonomously settle their disputes through dialogue and compromise, according to laws and principles.</p> <p>Under this principle, the government is implementing legislation for the advancement of labor relations to set up a framework for establishing more rational and fair labor relations starting July 1, 2007.</p>

3-2. Contact point

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