

WORLD TRADE ORGANIZATION

G/SCM/Q2/KOR/23
20 July 2004

(04-3127)

Committee on Subsidies
and Countervailing Measures

Original: English

SUBSIDIES

Questions from the EUROPEAN COMMUNITIES Regarding the New and Full Notification of the Republic of KOREA¹

The following communication, dated 19 July 2004, is being circulated at the request of the Delegation of the European Commission.

1. Local Tax reduction for Building and Acquisition of International Line Vessels and Deep – Sea Fishing Vessels:

Is this subsidy only available for vessels built in Korea or also for imported vessels?

2. Support for Foreign Invested Enterprises:

What are the eligibility criteria for this programme? Are there any export requirements linked to this programme?

3. Tariff Reduction on Aircraft Parts:

It is stated that the objective of the subsidy is to encourage the import of aircraft parts not locally produced and to reduce production costs. Can Korea please explain the eligibility criteria and what taxes are reduced at which rate?

¹ G/SCM/N/95/KOR