

Directions for Imposition of Additional Duties on Agricultural Products

Article 1

To implement special safeguard measures and impose additional duties, the Ministry of Finance hereby establishes the Directions.

Article 2

The scope of the additional duties covers peanuts, pears, sugar, garlic, betel nuts, chicken, liquid milk, offal, red beans, dried shiitake, pomelos, persimmons, dried day lilies, pork belly, and rice.

The goods subject to special safeguard measures and their tariff lines shall be announced annually by the Ministry of Finance.

Article 3

The agricultural products listed in Article 2 shall be subject to additional duties where the cumulative import volume exceeds the trigger level or the customs value falls below the trigger price; the higher amount of the additional duty calculated based on the two criteria shall apply. However, offal shall be subject to the additional duty only where the cumulative import volume exceeds the trigger level.

Article 4

The trigger level is determined in accordance with Paragraph 4 of Article 5 of the World Trade Organization (WTO) Agreement on Agriculture. The methods, amount, and period of imposition of the additional duty are as follows:

(a) Methods of imposition

- (i) The cumulative import volume, including the volume covered and not covered by certificates of tariff quota, is accumulated in accordance with the year in which the transportation means arrives and the chronological order of customs declarations. When the cumulative import volume reaches the trigger level, the additional duty shall be imposed except for customs declarations accompanied by certificates of tariff quota.
- (ii) Imports carried by passengers or sent by postal parcels for which import declarations have been submitted shall be included in the cumulative import volume and subject to the additional duty after the trigger level is reached. Those for which import declarations have not been submitted shall not be included in the cumulative import volume, but shall still be subject to the additional duty after the trigger level is reached.
- (iii) G1 declarations (foreign goods imported) and D2 declarations (bonded goods imported from bonded warehouses) shall be included in the cumulative import volume except for triangular trade goods, detained

goods, abandoned goods, returned goods, and re-exported domestic goods (Customs duty treatment codes 90, 91, 92, 94, and 71, respectively).

- (iv) Where the total import volume declared in customs declarations submitted at the same time crosses the trigger level, the volume exempt from the additional duty shall be calculated in proportion to the import volume declared in each individual customs declaration. Where the import volume declared in a single customs declaration crosses the trigger level, the volume exempt from the additional duty shall be calculated in the order of the items declared in the customs declaration.
 - (v) Customs shall continuously update the cumulative import volume on its website. Where the cumulative import volume reaches 90 percent of the trigger level, the imported goods shall be released only after Customs has verified the relevant customs declarations, confirmed the chronological order of customs declarations, and determined whether the additional duty shall be imposed. Where the duty-payer needs to take delivery of the goods in advance, he/she may pay a deposit of guarantee in an amount equivalent to the customs duties payable, including the additional duty, and apply for inspection and release of the goods.
 - (vi) Where the tariff classification of imported goods declared by the importer is incorrect but the tariff classification determined by Customs falls within the scope of the additional duty, the volume shall be included in the cumulative import volume at the time Customs determines the tariff classification. Where the cumulative import volume reaches the trigger level, the additional duty shall be imposed.
- (b) The additional duty shall be 33.3 percent of the amount of customs duties payable.
 - (c) The period of imposition is from the date on which the cumulative import volume reaches the trigger level through December 31 of the same year.

Article 5

The trigger price is set at the average CIF value per kilogram from 1990 to 1992 in accordance with Paragraph 1 of Article 5 of the WTO Agreement on Agriculture. For goods for which there are no import records, the trigger price may be estimated with reference to CIF values in neighboring countries or foreign prices used by Customs in calculating tariff. The methods and amount of imposition of the additional duty are as follows:

- (a) Methods of imposition

- (i) In accordance with Paragraph 5 of Article 5 of the WTO Agreement on Agriculture, where the difference between the customs value of imported goods and the trigger price exceeds 10 percent of the trigger price, the additional duty shall be imposed except for customs declarations accompanied by certificates of tariff quota.
 - (ii) Imports carried by passengers or sent by postal parcels for which import declarations have been submitted shall be subject to the additional duty. Those for which import declarations have not been submitted shall be exempt from the additional duty.
- (b) Amount of imposition
- (i) Where the difference between the customs value of imported goods expressed in terms of the domestic currency and the trigger price (hereinafter referred to as the “difference”) is less than or equal to 10 percent of the trigger price, no additional duty shall be imposed.
 - (ii) Where the difference is greater than 10 percent but less than or equal to 40 percent of the trigger price, the additional duty shall equal 30 percent of the amount by which the difference exceeds 10 percent of the trigger price.
 - (iii) Where the difference is greater than 40 percent but less than or equal to 60 percent of the trigger price, the additional duty shall equal 50 percent of the amount by which the difference exceeds 40 percent of the trigger price, plus the additional duty allowed under (ii).
 - (iv) Where the difference is greater than 60 percent but less than or equal to 75 percent of the trigger price, the additional duty shall equal 70 percent of the amount by which the difference exceeds 60 percent of the trigger price, plus the additional duties allowed under (ii) and (iii).
 - (v) Where the difference is greater than 75 percent of the trigger price, the additional duty shall equal 90 percent of the amount by which the difference exceeds 75 percent of the trigger price, plus the additional duties allowed under (ii), (iii), and (iv).

Article 6

Where special safeguard measures are otherwise prescribed in an agreement signed between the government of the Republic of China and another country or region, such prescription shall apply.