

25 Nov 2025

E-COMMERCE IMPORT

PRACTICE OF KOREA



BAEK, IL-HYUN

**Express Cargo And Postal Coordination Division
Incheon Airport Regional Customs**



CONTENTS

1. Statistics of Korea

2. Practice of Korea

3. Incheon Express Cargo Center

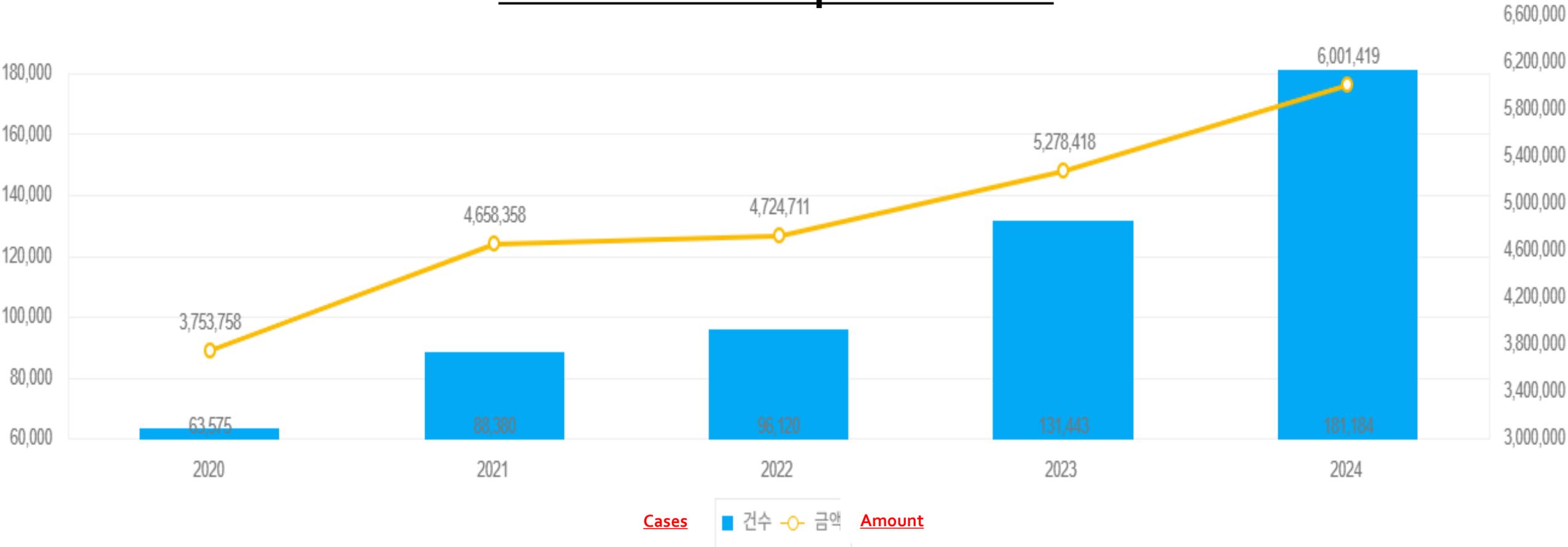
1. Statistics of Korea



1,000 Cases

E-Commerce Imports Status

1,000US\$

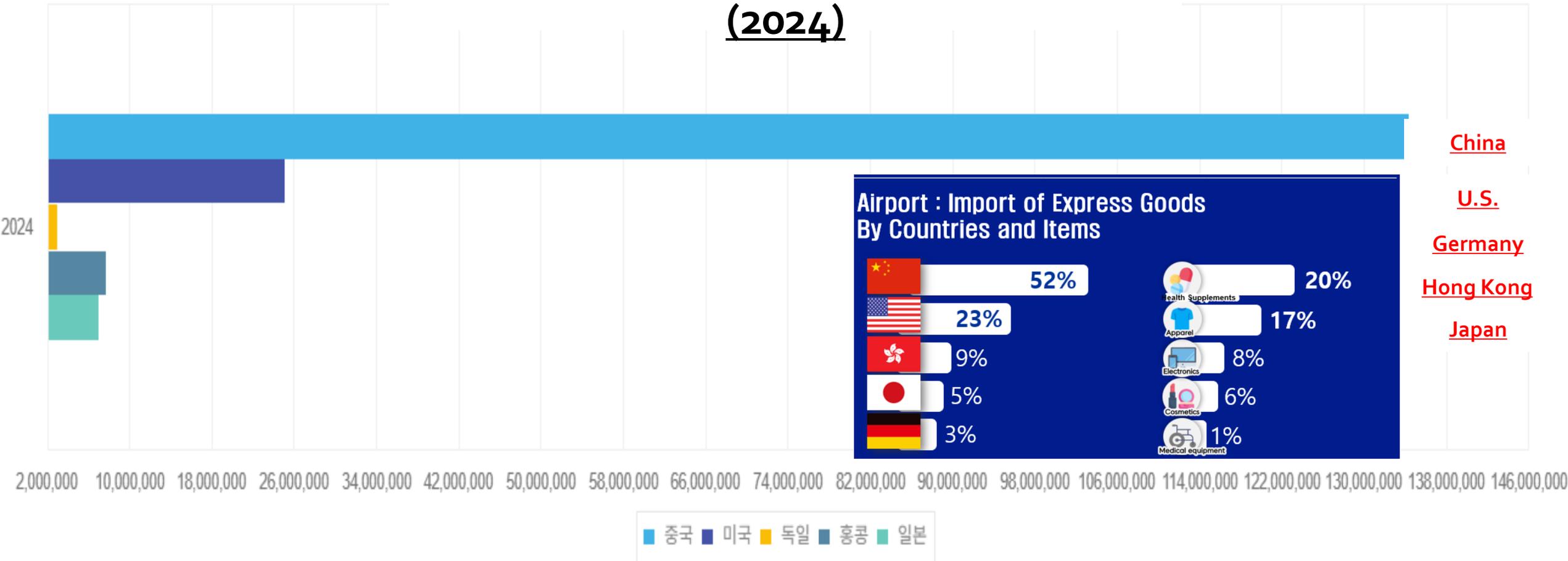


- In 2024, from overall E-Commerce, List Clearance covers 77%, EDI imports(Simplified+General) covers 23%
- In 2024, Number of Imports increased 37.8%, Total Amount Increased 13.7% compared to 2022

1-2 Imports by Countries

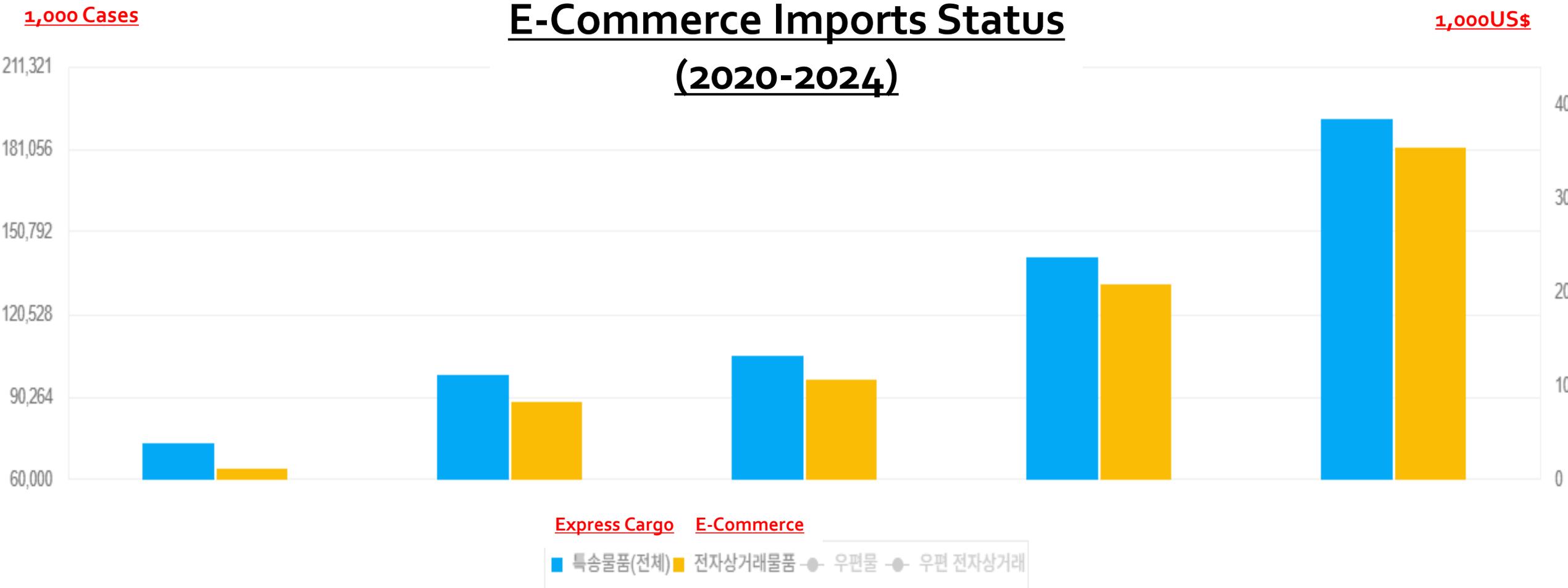
건

E-Commerce Imports by Countries (2024)



- In 2024, China covers 74%(cases) of whole E-commerce imports in numbers which increased 51% compared to 2023
- Most imports(more than 91%) are from China, U.S. and Japan.

1-3 Overall Status

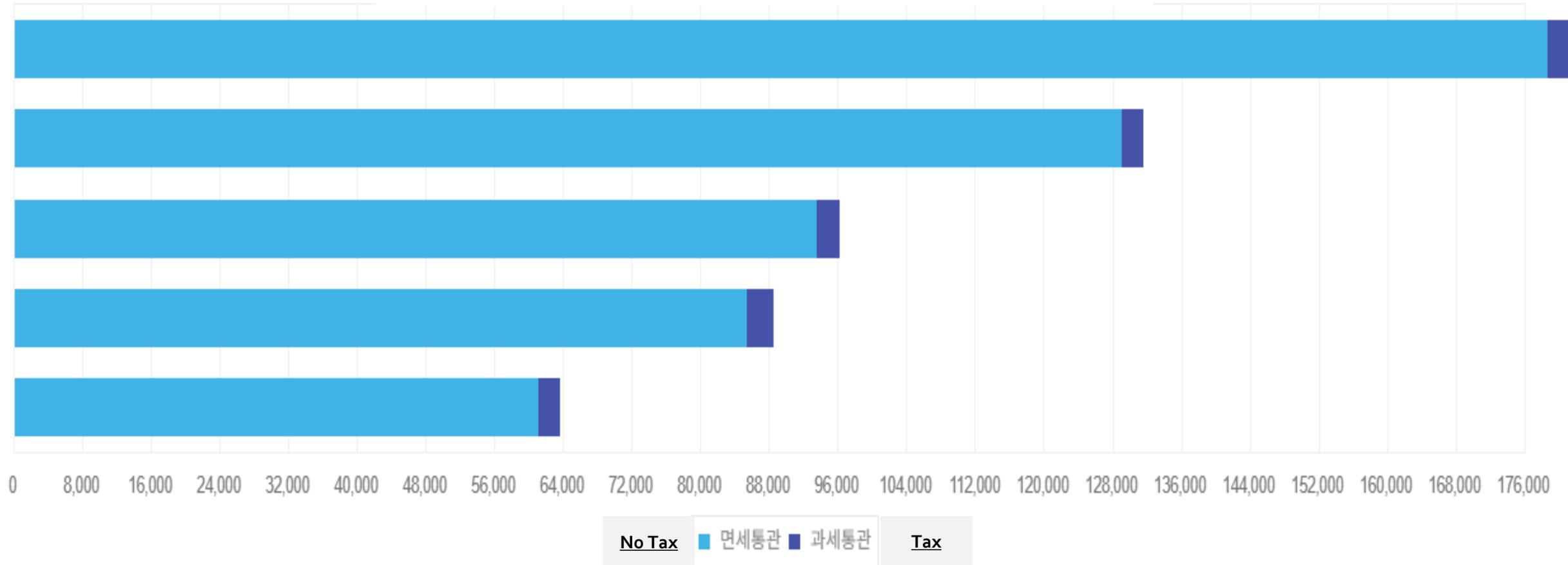


- In 2024, from overall Express Cargo, E-Commerce covers 94% of the numbers and 25% of the total amount
- The percentage of E-Commerce was 71% in 2017 and 94% in 2024. This trend seems to be continued

1-4 Revenue Collection

연도

E-Commerce Revenue Status



- In 2024, the exemption of tax covers 99%, tax imposed covers 1%. Most of articles are low-value items.
- In Korea, items up to 150\$ is bound to manifest clearance which are exempted from tax when it's personal use.

2. Practice of Korea



2-1 Definition

WCO Cross-border E-Commerce is characterized as follows :

1. Online ordering, sale, communication and, if applicable, payment,
2. Cross-border transactions/shipments,
3. Physical (tangible) goods, and
4. Destined to consumer/buyer (commercial and non-commercial).

Customs Act (Article 2-19) – *added in 2023*

E-commerce goods Imported and exported goods traded electronically through online shopping mall (Virtual shopping mall where goods and services are sold and bought via computer or IT system)

2-2 Clearance System Development

Main Changes

- Nov 1993 Introduce Express Cargo Clearance
- May 1997 Categorize Declaration in detail
- Jan 2003 Express Cargo Clearance Management
- Apr 2009 Add Express Cargo Definition in Customs Act
- July 2016 Incheon Airport Express Cargo Center
- June 2017 Smart Clearance Examination System
- Jan 2018 Sending Address Submission(List Clearance->All)
- Nov 2019 List Clearance by real Consignor (Personal Code)
- Nov 2020 List Clearance by real Consignor update

(All Consignors are supposed to submit Personal Customs Clearance Code)

Customs Act, Article 2 (Definitions)

18. **Consignment** means commercial documents, samples, goods for private use, and any other similar goods shipped into and out of Korea under entrustment to an entity that runs the business of delivering goods using international trade vessels, international trade aircraft, or border-crossing vehicles (excluding a person who ships goods as his or her personal effects into and out of Korea).

- Electronic batch examination of E-commerce goods
- Scope : **Non-Risky goods less than \$2,000**
 - ▶ No inspection, No documentary requirement
- Process : Electronically exam and accept goods
 - ▶ Declaration before arrival: within 30 minutes after arrival
 - ▶ Declaration after arrival: within 15 minutes after declaration.
 - ▶ '17.7 test operation launched, a reduction in express cargo cost by **55 billion dollars**

2-3 Transaction Types

1. Direct Delivery

Ordering and paying directly on an overseas shopping website and receiving goods directly.

2. Delivery Service

- Ordering and making payments directly on the overseas shopping website.
- A delivery company receives the ordered goods at the local warehouse and delivers the product to the customer.

3. Forwarding Service

Delegating to the agency all the procedures from purchase to delivery by paying the price of goods, distribution cost, commission, etc.

2-4 Types of Express Cargo Clearance

1. Import Declaration by Item List

List Import Declaration is a clearance method that allows goods to be cleared only with an invoice with the names, phone numbers, addresses of the consignor and the consignee, and the description, price, and weight of the goods. In this case, the resident registration ID number (including the personal clearance code) of the owner is required. **(less than 150 USD)**

No List Declaration for Post Office, But tax free

2. Simplified Import Declaration

Simplified import declaration may apply for goods priced between **USD 150(200 dollars for the goods from the US) and USD 2,000.** The head of the customs would allow goods to be cleared without an inspection if the declared details, such as the description, value, etc. of the goods, are deemed accurate. However, for some goods, including prohibited goods for import, simplified import declaration is not allowed. In this case, an import declaration should be made following the procedures of the general import declaration.

Simplified from \$150 to \$1,000 for Post Office

3. General Import Declaration

A general import declaration is required for goods with the price higher than **USD 2,000**, and the goods that are excluded from the list & simplified import declaration.

2-5 Declaration Comparison

	General Import Declaration	Simplified Declaration	List Declaration
Value	Above US\$2,000	US\$150 – US\$ 2,000	Up to US\$ 150
Declarant	Consignor, Customs Broker	Consignor Customs Broker	Express Cargo Company
Tax	○	○	X
Verification	○ Price Reference C.o. Origin	X	X
Cases	32.5 Million	585 Thousand	64.8 Million
Percentage	33%	1%	66%
Items(to fill in)	69	50	31
Items in Detail	Consignor/Address Name of item Quantity/Weight Price HS Code Personal Customs Clearance Code or National Registration No	Consignor/Address Name of item Quantity/Weight Price HS Code Personal Customs Clearance Code or National Registration No	Consignor/Address Name of item Quantity/Weight Price - Personal Customs Clearance Code or Date of Birth

***Split B/L control**
if, more than 2 items come in

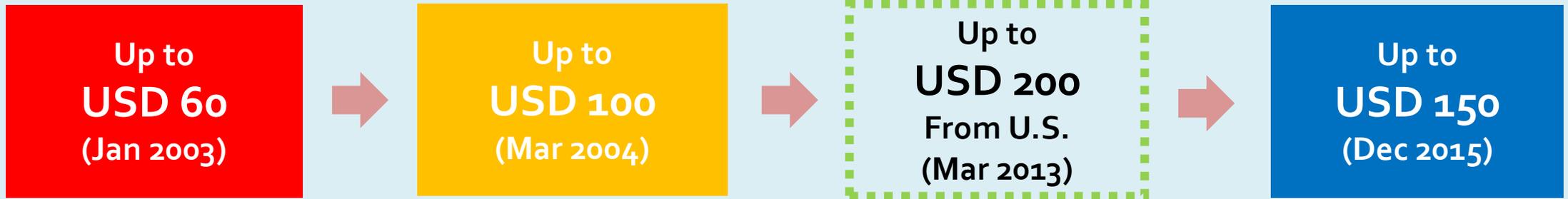
1. One B/L or AWB
2. Two B/Ls or AWBs in same arrival date(exclusion in case from different countries)
3. From same vendor, same day purchase

Then the duty will be imposed.

***Fines for Negligence**

1. Fail to submit list faithfully
 - Name of Consignment
 - Price
 - Name of Consignor
2. Fail to submit Sending Address
 - For All Clearance

2-6 De Minimis Thresholds



Cambodia	Laos	Indonesia	Malaysia	Vietnam
Duty de Minimis	Duty de Minimis	Duty de Minimis	Duty de Minimis	Duty de Minimis
<u>50 USD</u>	<u>0 LAK</u>	<u>3 USD</u>	<u>500 MYR</u>	<u>1000000 VND</u>
Tax de Minimis	Tax de Minimis	Tax de Minimis	Tax de Minimis	Tax de Minimis
<u>50 USD</u>	<u>0 LAK</u>	<u>0 USD</u>	<u>500 MYR</u>	<u>0 VND</u>
		<div style="border: 2px dashed red; padding: 5px; display: inline-block;"> Thailand <u>Duty : 1500 THB</u> <u>Tax : 0 THB</u> </div>		

2-7 Exclusion from List Declaration

1. **Drugs**
2. Medicinal herbs
3. **Wild animal products**
4. Goods subject to quarantine, such as agricultural, fishery and livestock products
5. **Health Supplements**
6. Goods suspected to have violated intellectual property rights
7. **Foods, alcoholic beverages, and tobacco**
8. Certain Cosmetics (cosmetics containing placenta or steroids, and harmful cosmetics, including those with unidentified elements)
9. **Goods for which new information has been added to a B/L or an air waybill following the correction of M/F**
10. Goods for which description, specification, quantity, or price are inaccurately stated in the list of clearance.
11. **Goods subject to customs confirmation of clearance requirements (firearms, swords, gun powder, narcotics, etc.) under Article 226 of the Customs Act**

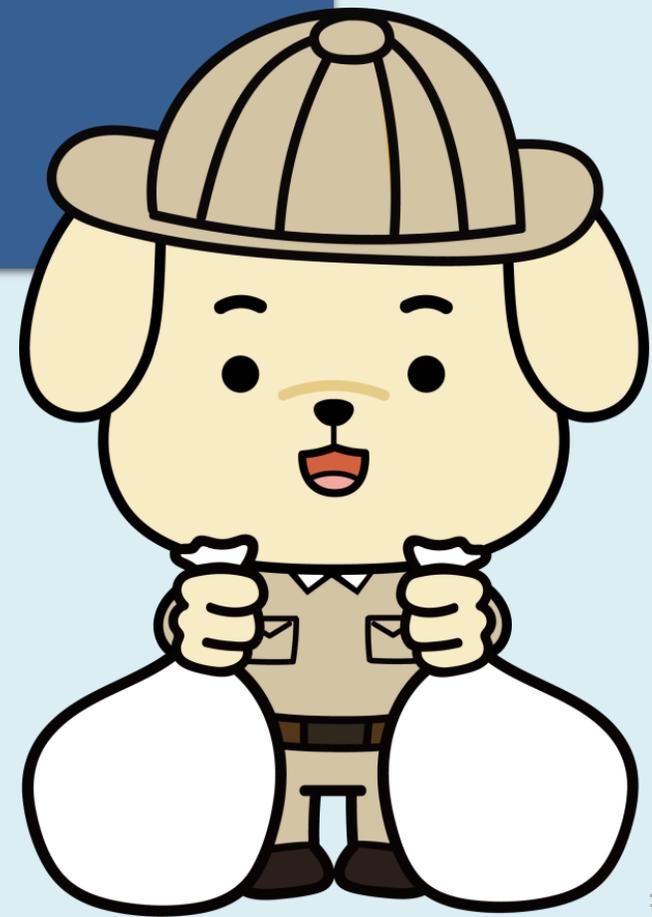
2-10 Personal Customs Clearance Code

- In order to **protect personal information**, the Korea Customs Service operates a system that utilizes personal customs clearance codes instead of resident registration numbers when lodging import declaration of personal items.
- In case of **foreigners**, they can report their imports using their passport number or alien registration number, so they do not need to have a personal customs clearance code, but if they want to receive a personal customs clearance code to protect their personal information, they can apply to Customs with the alien registration number given by the immigration office.



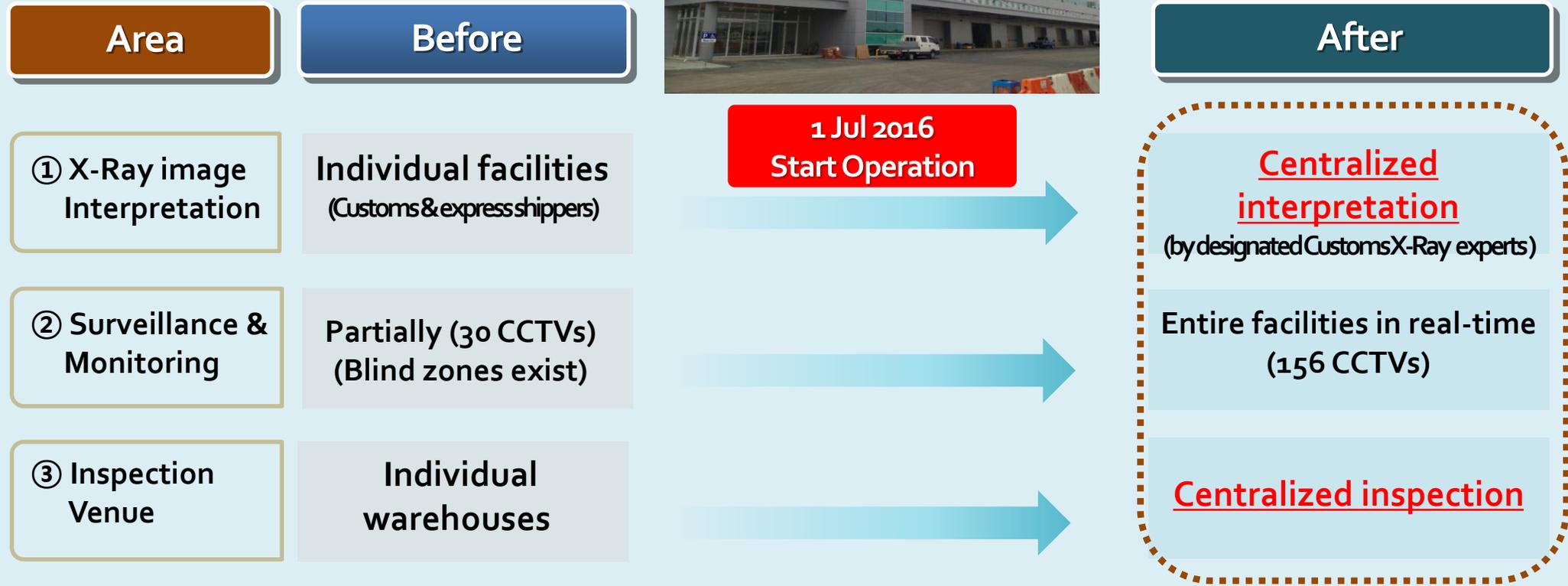
- Personal Code API(Application Programming Interface) will be launching later in 2022.
- Sellers get Personal Code from Customs after submitting the customer's name and phone number

3. Incheon Center



3-1 Center Before and After

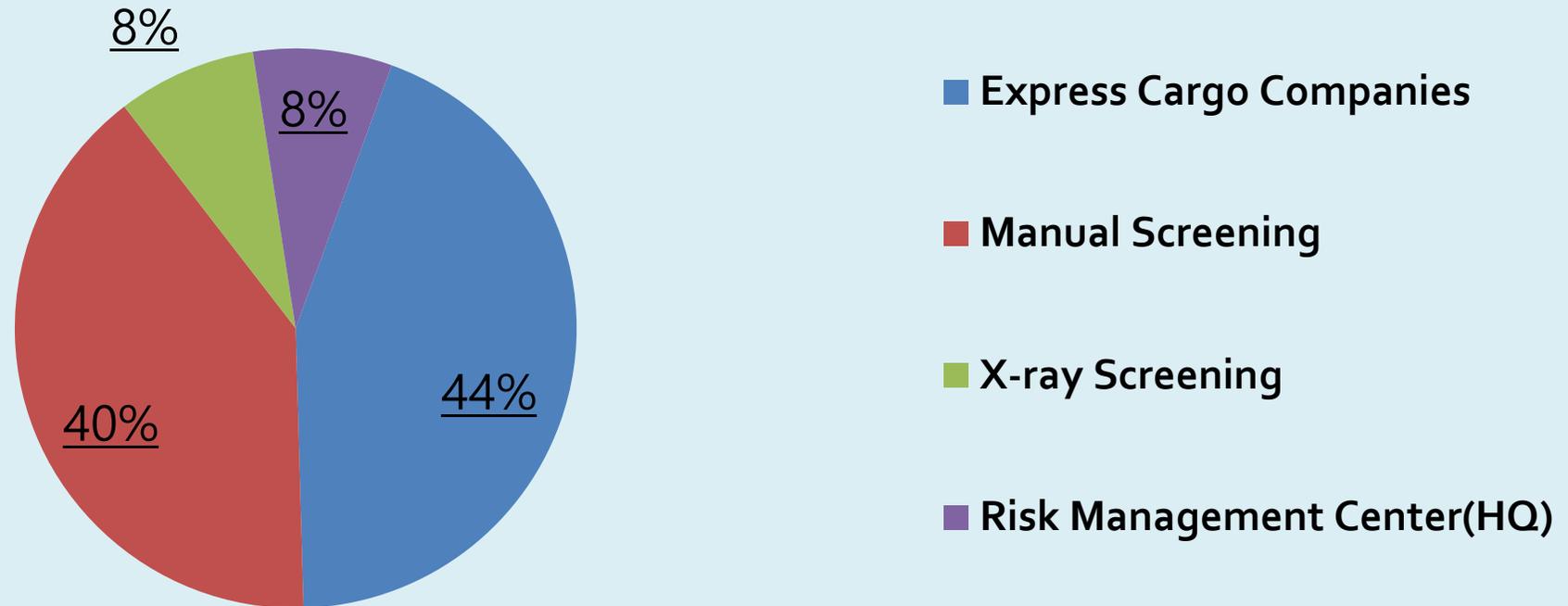
- Inspection rate:('16.6) 5% →('17.7) 3.8%
- Detection rate:('16.6) 7.7%→ ('17.7) 13.7%
- Logistics cost : cut by 30%
- Clearance time: cut by 2hours (6hr→4hr)



Efficiency: Customs can process 3,000 → 30,000 consignments at a lower cost
 + share real time information on clearance & flow

3-2 Risk Management

1. Incheon Airport Express Cargo C/S



2. 100% X-ray screen by the experienced customs officers even in 7 designated private warehouses :

DHL, Fedex, UPS, CJ, Lotte, Sungwon, Hanjin
(X-ray images transmitted to Incheon Main Center)

Express Cargo Clearance Sites



(주)성원글로벌카고
Sungwon Global Cargo



Express Cargo
Clearance Center



롯데글로벌로지스

Connected to the X-Ray reading room of Express Cargo Clearance Center with an optical cable

3-3 Cargo Selectivity @ work(1)

<div style="display: flex; justify-content: space-between;"> 통관목록제출번호 AE0071-2200015232 HBL번호 품명 </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> 초기화 Q 조회 </div>												
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p><Sender></p> <ol style="list-style-type: none"> Delivery Service Domestic Portal </div> <div style="width: 30%;"> <p><Weight></p> <ol style="list-style-type: none"> Weight (Not matching) Moving Items(Heavy) </div> </div>												
특송업체명	롯데글로벌로지스(주)	MRN		삭제건수	0	항공편명	JL6707	적하목록제출여부	N	입항일자	2022-08-28	
통관목록제출번호	AE0071-2200015232	MBL번호	13159883143	통관건수	0	보류건수	0	적출국	JP - 도쿄/나리타	보세구역번호	04077101	
선별심사일자	2022-09-02	통관심사일자		목록선별자	설동주	확인자	설동주	X-RAY판독자	설동주			
<div style="display: flex; justify-content: space-between;"> <p>전체 1건 페이지당 10</p> <p>필터 필터초기화 엑셀다운로드 검사대상다운로드</p> </div>												
No	경보	MSN-HSN	HS	송하인	수하인	송하인전화번호	수하인전화번호	포장개수	총중량(kg)	발송국	우범화물선별검사 지정	검사대상
		HBL번호	품명	송하인주소	수하인주소	반입건수	적발건수	내포장개수	가격(\$)	용도구분	검사결과	합산과세대상여부
	<input type="checkbox"/> 심사결과	검사지정사유	전자상거래사이트URL	반입여부	XRAY검색여부	수하인고유번호	화물운송중선업자	상세품목수	특별통관대상 업제번호	거래유형	검사결과내용	위험군선별여부
		전자상거래유형	해외판매자	구매대행업자	판매증개자	주문번호						
1		0018-0198		AMAZONCOJP	도재군	0081335272753	01029316575		9.1	일본	N	담당자선별 (조혜원)
		6064866404021	ADULT GOODS G PROJECT PURURU N NATURAL BOOBS PURURUN TENN EN OPPAI ONAHO ONAHORU ADULT ADULT GOODS PORTABLE TOOL BOX ES OR CASES	2-1-1 Midorigaoka	Seoul 23 Dongilro 215gil220801 Sanggye Juggong Apartment				141.43	개인		N
	<input type="checkbox"/> 수입검사(기타)			WWW.AMAZON.JP	Y	Y	P190024416016	롯데글로벌로지스(주)	1	전자상거래 물		N

<Name of the item>

- Ambiguous
- List Clearance Exclusiveness

<Address>

- Hotel, P.O. Box
- Office

<Price>

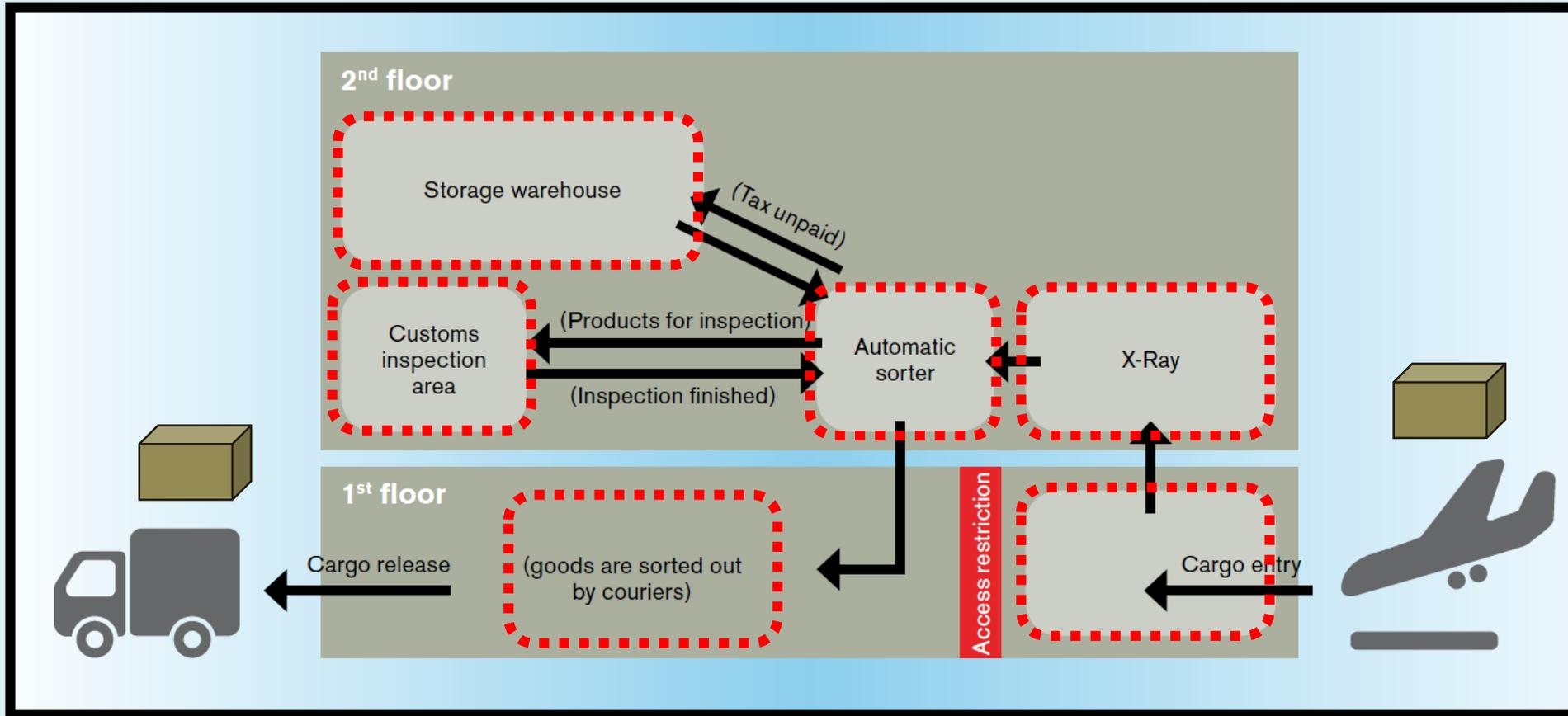
- Undervalue
- Not Matching

<Country>

- IPR
- Foods
- Narcotics

3-4 Air Cargo Flow Map

Express Cargo Flow Map in Incheon Center



3-5 Air Cargo Flow

Unloading



Swift Cargo Entry

Daily throughput : 219,000
Center 54%
Designated Centers(7) 46%

Entry of Goods



14 Arrival Lines

6 Automatic
7 Manual Lines
1 Line for large-sized cargo

Barcode Scanning



Five 3D Recognition IPS

Barcode Scanning via
Image Recognition

X-Ray Inspection



X-Ray Scanning of all goods

Simultaneous Reading of
X-Ray images with IPS
Information on goods





X-Ray Result Transmission



Three 5D Recognition IPS

Recognition of X-ray Interpretation results

Inspection



Inspection Site



16 Inspection Lines

Drugs, fire arms and food
Subject to quarantine

Inspection completed



Cargo Release Area



31 Cargo Release Lines

Automatic sorting by delivery area
and by company and releasing

Skip Inspection(immediate release)

Unreported



Storage Warehouse



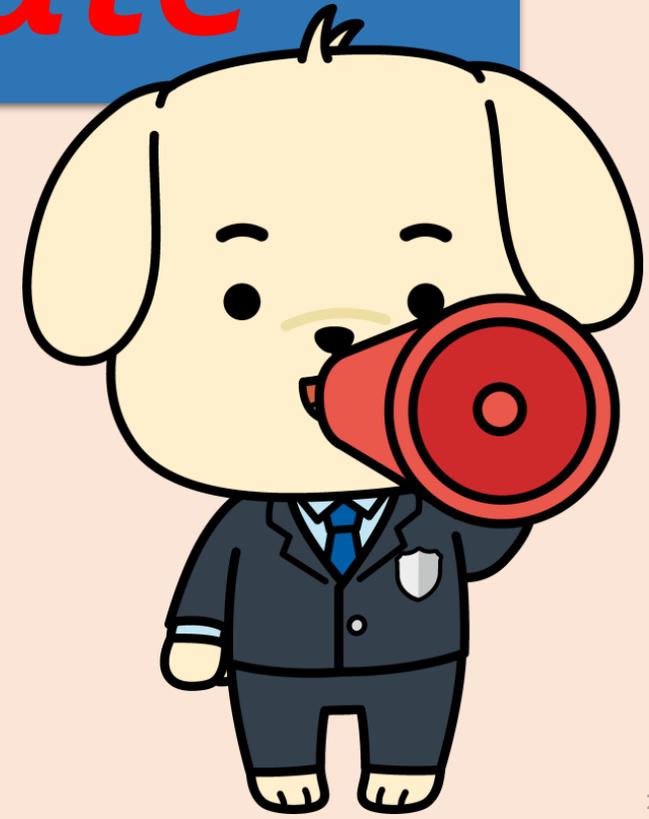
31 Storage Lines

Sorting and storing unaccepted
And undeclared goods

Report, Approval



** New System Update*



4-1 Need for Change (2024)

1. **Delay in clearance** due to the fast growth of the global e-commerce market and a surge in e-commerce imports. Fast procedure is limited with current customs personnel and infrastructure
2. **Increased influx of illegal goods**(e.g. drugs, firearms) through E-commerce System improvement urgently needed for risk management



**E-Commerce Exclusive Import Clearance System
to be Developed (2024~2026)**

4-2 E-Commerce Exclusive Clearance System

Point1

New declaration form

Add items on the declaration form to declare the e-commerce businesses involved, remove other unnecessary items

→ Improving Current import declaration form to suit E-commerce trading

Point2

Supply chain-based risk management system

Expedite clearance of goods for E-commerce traders who provide transaction information to Customs Agency

→ Active support for the people to quickly receive their goods purchased directly from overseas

Point3

The Personal Authentication System

Adopt Identification process when ordering e-commerce products, (using QR code, biometrics)

→ Eliminating the fear of personal customs unique code theft

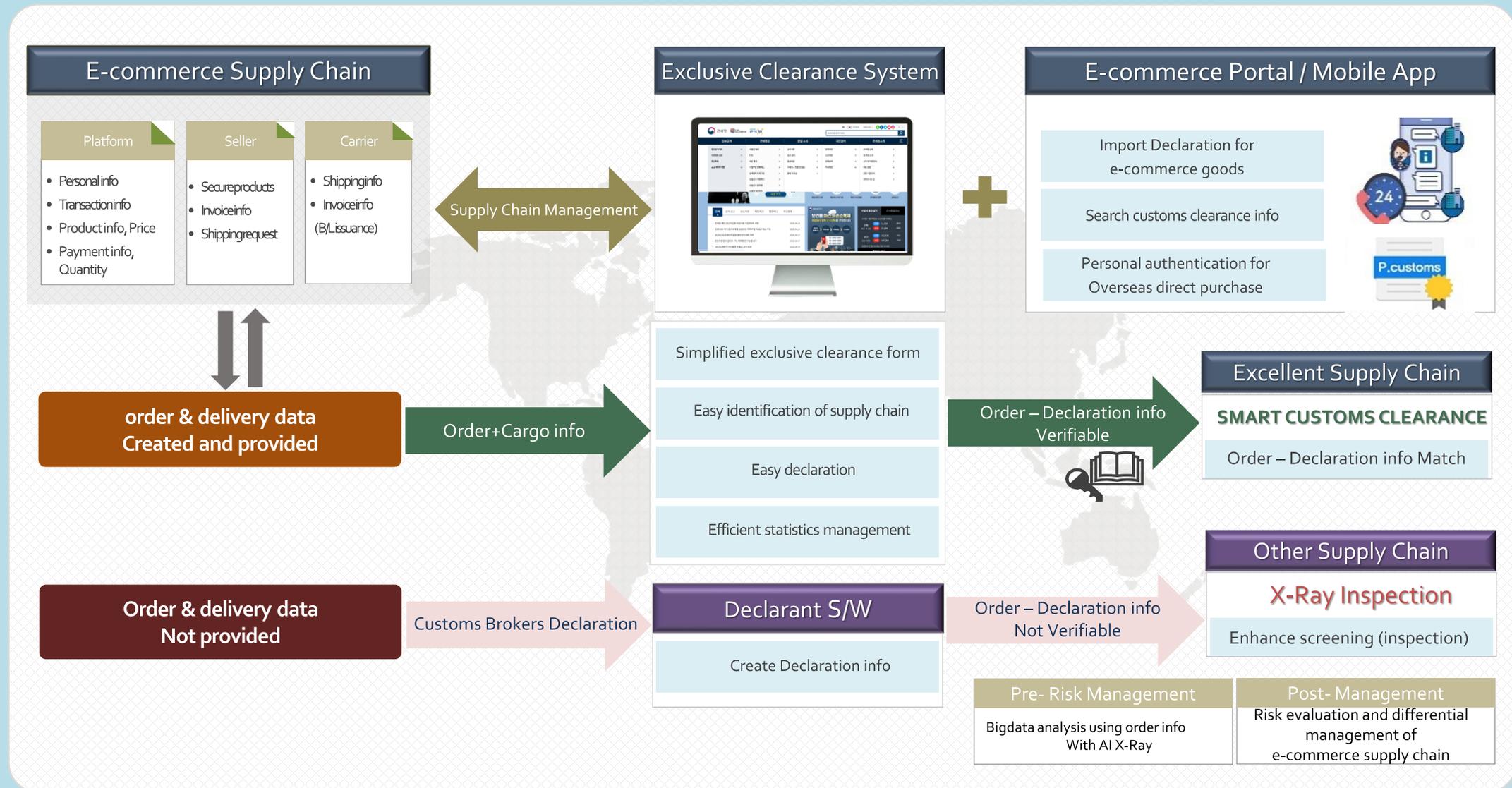
Point4

Public service on e-commerce

Establish online portal and mobile apps for customs clearance tracking and real-time customer service

→ Provision of one-stop service related E-commerce

4-3 E-Commerce Exclusive Clearance System



THE END

