

ANNEX 8-B CO-PRODUCTION ON FILM

Article 1: Definitions

For the purposes of this Annex:

- (a) **competent authority** means the authority designated as such in the Appendix 8-B-1 to this Annex by each Party;
- (b) **co-producer** means one or more nationals of China or one or more nationals of Korea involved in the making of a co-production film, or, in relation to Article 5 (Third Party Co-Productions), one or more nationals of a third country/region;
- (c) **co-production film** means a film made by one or more nationals of a Party in cooperation with one or more nationals of the other Party under a project approved jointly by the competent authorities of the Parties, and includes a film to which Article 5 applies. In order for a film to be approved under this Annex, the co-production film must satisfy the minimum levels for the performing, technical, craft and financial contributions of each co-producer, as well as the other requirements of this Annex; and
- (d) **film** means a series of images, or of images and sounds, including animation, which is intended to be shown in cinemas.
- (e) **nationals** means¹:
 - (i) for China,
 - citizens of the People's Republic of China as defined in the nationality law; or
 - legal persons in the People's Republic of China;
 - (ii) for Korea,
 - nationals of the Republic of Korea as defined in the nationality law; or
 - legal persons in the Republic of Korea.

Article 2: Recognition as a National Film and Entitlement to Benefits

A co-production film made in accordance with this Annex shall be fully entitled to all the benefits which are or may be accorded to national films by each Party under its respective national laws and regulations in force currently or in the future.

¹ For the purpose of this Annex, foreigners who have obtained permanent residence permits in China or Korea may enjoy the same treatment as Chinese or Korean nationals.

Article 3: Approval of Projects

1. Co-production films must receive provisional approval from the respective competent authorities of the Parties before they are put into production. It is the responsibility of the co-producers to provide any documentation required by the competent authorities to enable the competent authorities to complete their provisional approval processes.
2. Co-production films must be made in accordance with the terms of the provisional approval which has been given by the competent authorities.
3. Upon completion of production, it is the responsibility of the co-producers to submit to the competent authorities the completed co-production film and any documentation required respectively by the competent authorities and to obtain their final approval.
4. In determining both provisional and final approval, the competent authorities shall apply the provisions of the Appendix 8-B-1 to co-production films.
5. The competent authorities shall consult with each other to enable them to determine whether a project conforms with the provisions of this Annex. Each competent authority, in deciding whether to grant or refuse provisional or final approval, shall apply its own policies and guidelines.
6. In relation to China, a co-production film shall be recognized as having completed the provisional approval process once the Chinese competent authority has granted it “Project Establishment” status. A co-production film shall be recognized as having completed the final approval process once the Chinese competent authority has granted it a “Film Public Screening Permit”.
7. In relation to Korea, a co-production film shall be recognized as having completed the provisional or final approval process once the Korean competent authority provides written notification of such approval.

Article 4: Contributions

1. The proportion of the performing, technical and craft contributions (hereinafter jointly referred to as the “creative contribution”) of each co-producer of a film shall be decided by arrangement between the co-producers, and shall be between 20 to 80 percent of the final creative contribution to the film.
2. The proportion of the financial contributions of each co-producer of a film shall be decided by arrangement between the co-producers, and shall be between 20 to 80 percent of the final production cost of the film. Calculation of the financial contribution may include in-kind contributions.

Article 5: Third Party Co-Productions

1. Where either China or Korea maintains with a third party a film co-production agreement, the competent authorities may approve a project for a co-production film under this Annex that is to be made in conjunction with a co-producer from that third party.
2. Approvals under this Article shall be limited to proposals in which the contribution of the third party co-producer is no greater than the lesser of the individual contributions of the China and Korea co-producers.

Article 6: Film Production

At least 90 percent of the footage included in a co-production film shall, subject to any departure from this rule which is mutually approved by the competent authorities, be specially shot for that film.

Article 7: Entry Facilitation

Subject to its national laws and regulations, each Party shall permit nationals of the other Party, and nationals of any third party co-producer approved under Article 5, to enter China or Korea for the purpose of making or promoting a co-production film.

Article 8: Import of Equipment

Each Party shall endeavor to provide, in accordance with its respective national laws and regulations, temporary admission, free of import duties and taxes, of technical equipment and filming materials for the making of co-production films.

Article 9: Film Distribution

1. The final approval of a co-production film by the competent authorities shall not oblige the relevant authorities of either Party to permit the public exhibition of the resulting film in the Party.
2. Both Parties shall endeavor to promote the global distribution of co-production films in order to enhance the competitiveness of the co-production films in the global market.

Article 10: Technical Cooperation

Both Parties shall endeavor to promote inclusive technical cooperation activities in film and related areas such as computer graphics, virtual reality and/or digital cinema technologies.

Article 11: Status of Appendix

Appendix 8-B-1 shall be an integral part of this Annex.

Article 12: Obligations under International Law

The provisions of this Annex are without prejudice to the obligations of the Parties under international law, including international agreements to which they are party.

Article 13: Non-Application of Dispute Settlement

Neither Party shall have recourse to Chapter 20 (Dispute Settlement) for any matter arising under this Annex. Any issues requiring attention shall be settled amicably through mutual discussion and dialogue between the Parties.

Article 14: Termination

Unless otherwise mutually agreed by the Parties, the provisions of this Annex shall continue to be applied in respect of any co-production film approved by the competent authorities and not yet completed at the time of termination of this Annex, and shall be effective until such co-production is completed.

Article 15: Termination of the Agreement between the Government of the People's Republic of China and the Government of the Republic of Korea Concerning the Co-Production of Films

The Agreement between the Government of the People's Republic of China and the Government of the Republic of Korea Concerning the Co-Production of Films shall terminate on the date of entry into force of this Agreement.

APPENDIX 8-B-1 IMPLEMENTING ARRANGEMENTS

1. The competent authorities for this Annex are, for China, the Film Bureau of the State Administration of Press, Publication, Radio, Film and Television, and, for Korea, the Korean Film Council (KOFIC).

The China Film Co-production Corporation is designated as the Chinese handling organization through which co-production films are assessed for co-production status.

Both competent authorities and the handling organization shall supervise and review the operation of this Annex, as well as mediate any disputes arising between the co-producers.

2. This Annex applies to film co-production between co-producers from Mainland of China and Korea only.

3. Application Process

In order to benefit from the provisions of this Annex, the co-producers must, before shooting commences, submit an application for co-production status and attach the documents listed below:

- (a) a copy of the documentation concerning the ownership of the copyright for the commercial exploitation of the work;
- (b) a synopsis of the film, including concrete information on the theme, and the complete script of the film;
- (c) a list of the technical and artistic contributions of each of the nationals from the countries or regions involved, indicating their nationalities and filmography, and, in the case of the actors, their nationality and the roles that they will play, with an indication of the type and length of the roles;
- (d) a work plan stating the periods and locations of principal photography on a weekly basis for studio and outdoor shooting;
- (e) a budget including the investors' letters of commitment and a detailed financing plan;
- (f) the co-production contract made between the producers, which states that the co-producers jointly own the property of the film and sets forth the allocation rates of the revenues from the exploitation of the film, including the revenues from overseas markets; and
- (g) any other documents and additional information that the competent authorities of two Parties may request.

ANNEX 8-C
CO-PRODUCTION ON TV DRAMA, DOCUMENTARY AND ANIMATION
FOR BROADCASTING PURPOSES

1. The Parties encourage co-production between the Parties on TV drama, documentary and animation for broadcasting purposes. The Parties confirm that co-production on TV drama, documentary and animation for broadcasting purposes is conducted in accordance with their respective laws and regulations.¹
2. The Parties agree to consider co-production agreement on TV drama and animation, and initiate negotiations in accordance with respective domestic laws and regulations of the Parties.

¹ For the purposes of this paragraph, laws and regulations mean:

- (a) for China, Rules for the Administration of Sino-Foreign Co-Production of Television Dramas (applicable to animation as well) promulgated on 21 Sep, 2004 by the State Administration of Radio, Film & Television as Decree No. 41; and
- (b) for Korea, Broadcasting Act (Law No. 12743, Jun 3, 2014) and Notice on Programming Ratio (Korea Communications Commission Notice No. 2014-6, Jun 5, 2014).

Annex 8-A-2

CHINA

Schedule of Specific Commitments

THE PEOPLE'S REPUBLIC OF CHINA - SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access		Limitation on national treatment	Additional commitments
I. HORIZONTAL COMMITMENTS				
ALL SECTORS INCLUDED IN THIS SCHEDULE	(3)¹ In China, foreign invested enterprises include foreign capital enterprises (also referred to as wholly foreign-owned enterprises) and joint venture enterprises and there are two types of joint venture enterprises: equity joint ventures and contractual joint ventures.² The proportion of foreign investment in an equity joint venture shall be no less than 25 per cent of the registered capital of the joint venture. The establishment of branches by Korean enterprises is unbound, unless otherwise indicated in specific sub-sectors, as the laws and regulations on branches of foreign enterprises are under formulation. Representative offices of Korean enterprises are permitted to be established in China, but they shall not engage in any profit-making activities except for the representative offices under CPC 861, 862, 863, 865 in the sectoral specific commitments.		(3) Unbound for all the existing subsidies to domestic services suppliers in the sectors of audio-visual, aviation and medical services. Unbound for all the subsidies to domestic services suppliers in any new sector and sub-sector scheduled after China's Accession to the WTO.	

¹ For the purpose of this Schedule, limitations or commitments that refer to a "foreign" participation by Korean service suppliers in a company, enterprise, firm or other type of commercial presence in China, (whether "wholly foreign-owned", "foreign majority ownership", "foreign investment", "foreign ownership", "foreign minority ownership" or any other form of foreign participation stipulated in Chinese law) means the total participation of non-Chinese capital whatever its origin and its owner, including but not exclusively, the participation by Korean service suppliers. The aforementioned types of foreign participation shall not, collectively or individually, exceed China's WTO commitments, except the more preferential commitments in the China-Korea FTA as allowed by the current Chinese laws, regulations and rules.

² The terms of the contract, concluded in accordance with China's laws, regulations and other measures, establishing a "contractual joint venture" govern matters such as the manner of operation and management of the joint venture as well as the investment or other contributions of the joint venture parties. Equity participation by all parties to the contractual joint venture is not required, but is determined pursuant to the joint venture contract. *"Foreign invested enterprise" in this schedule means a foreign invested enterprise duly constituted or otherwise organized under "Law on Chinese-Foreign Equity Joint Ventures", "Law on Chinese-Foreign Contractual Joint Ventures" and "Law on Foreign-Capital Enterprises".*

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	The conditions of ownership, operation and scope of activities, as set out in the respective contractual or shareholder agreement or in a licence establishing or authorizing the operation or supply of services by an existing Korean service supplier, will not be made more restrictive than they exist as of the date of China's accession to the WTO. Any new sector and sub-sector scheduled after China's accession to the WTO shall not be subject to the preceding sentence. The land in the People's Republic of China is State-owned. Use of land by enterprises and individuals is subject to the following maximum term limitations: (a) 70 years for residential purposes; (b) 50 years for industrial purposes; (c) 50 years for the purpose of education, science, culture, public health and physical education; (d) 40 years for commercial, tourist and recreational purposes; (e) 50 years for comprehensive utilization or other purposes. (4) Unbound except as per the commitments in the Chapter on Movement of Natural Persons.	(4) Unbound except for the measures concerning the entry and temporary stay of natural persons who fall into the categories referred to in the market access column.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
II. SPECIFIC COMMITMENTS			
A. Professional Services (a) Legal Services (CPC 861, excluding Chinese law practice)	(1) None (2) None (3) Korean law firms can provide legal services only in the form of representative offices. Representative offices can engage in profit-making activities. Korean law firms which has representative offices in China can provide legal services with Chinese law firms in the form of joint operation in Shanghai Pilot Free Trade Zone. During the period of joint operation, both parties' legal status, names and financial status are independent, each of the said parties bears its own civil liabilities. The clients of the joint operation are not limited to Shanghai. Korean lawyers in the joint operation are not allowed to deal with the Chinese legal affairs. Korean law firms which has representative offices in Shanghai Pilot Free Trade Zone and Chinese law firms can send lawyers to each other as legal consultants.	(1) None (2) None (3) All representatives shall be resident in China no less than six months each year. The representative office shall not employ Chinese national registered lawyers.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	Business scope of Korean representative offices is only as follows: (a) to provide clients with consultancy on the legislation of the country/region where the lawyers of the law firm are permitted to engage in lawyer's professional work, and on international conventions and practices; (b) to handle, when entrusted by clients or Chinese law firms, legal affairs of the country/region where the lawyers of the law firm are permitted to engage in lawyer's professional work; (c) to entrust, on behalf of foreign clients, Chinese law firms to deal with the Chinese legal affairs; (d) to enter into contracts to maintain long-term entrustment relations with Chinese law firms for legal affairs; (e) to provide information on the impact of the Chinese legal environment. Entrustment allows the Korean representative office to directly instruct lawyers in the entrusted Chinese law firm, as agreed between both parties.		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	The representatives of a Korean law firm shall be practitioner lawyers who are members of the bar or law society in a WTO member and have practiced for no less than two years outside of China. The Chief representative shall be a partner or equivalent (e.g., member of a law firm of a limited liability corporation) of a Korean law firm and have practiced for no less than three years outside of China. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(b) Accounting, auditing and bookkeeping services (CPC 862)	(1) None (2) None (3) Partnerships or incorporated accounting firms are limited to Certified Public Accountants (CPAs) licensed by the Chinese authorities. (4) Unbound except as indicted in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicted in horizontal commitments.	- Korean accounting firms are permitted to affiliate with Chinese firms and enter into contractual agreements with their affiliated firms in other WTO Members. - Issuance of licenses to Koreans who have passed the Chinese national CPA examination shall be accorded national treatment. - Applicants will be informed of results in writing no later than 30 days after submission of their applications. - Accounting firms providing services in CPC 862 can engage in taxation and management consulting services. They will not be subject to requirements on form of establishment in CPC 865 and 8630.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(c) Taxation services (CPC 8630)	(1) None (2) None (3) Korean firms are permitted to establish wholly foreign-owned subsidiaries. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector		Limitations on market access	Limitation on national treatment	Additional commitments
(d) Architectural services (CPC 8671)	(1) None for scheme design. Co-operation with Chinese professional organisations is required except scheme design.	(1) None	(3) Foreign service suppliers shall be registered architects/engineers, or enterprises engaged in architectural/engineering/urban planning services, in their home country.	The contract performance of the engineering design enterprises established in China by Korean service suppliers both in China and outside China shall be taken into account in assessing the qualification of the enterprise in China.
	(2) None	(2) None		
	(3) Joint ventures, with foreign majority ownership permitted. Wholly foreign-owned enterprises are permitted.	(3) Foreign service suppliers shall be registered architects/engineers, or enterprises engaged in architectural/engineering/urban planning services, in their home country.		
(4) Unbound, except as indicated in horizontal commitments.	(4) Unbound, except as indicated in horizontal commitments.			
(e) Engineering services (CPC 8672)	(1) None for scheme design. Co-operation with Chinese professional organisations is required except scheme design.	(1) None		
(f) Integrated engineering services (CPC 8673)	(2) None	(2) None		
	(3) Joint ventures, with foreign majority ownership permitted. Wholly foreign-owned enterprises are permitted.	(3) Foreign service suppliers shall be registered architects/engineers, or enterprises engaged in architectural/engineering/urban planning services, in their home country.		
	(4) Unbound, except as indicated in horizontal commitments.	(4) Unbound, except as indicated in horizontal commitments.		
(g) Urban planning services (except general urban planning) (CPC 8674)	(1) None for scheme design. Co-operation with Chinese professional organisations is required except scheme design.	(1) None		
	(2) None	(2) None		
	(3) Joint ventures, with foreign majority ownership permitted. Wholly foreign-owned enterprises are permitted.	(3) Foreign service suppliers shall be registered architects/engineers, or enterprises engaged in architectural/engineering/urban planning services, in their home country.		
	(4) Unbound, except as indicated in horizontal commitments.	(4) Unbound, except as indicated in horizontal commitments.		

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments	
(h) Medical and dental services (CPC 9312)	(1) None (2) None (3) Korean service suppliers are permitted to establish joint venture hospitals or clinics with Chinese partners with quantitative limitations in line with China's needs, with foreign majority ownership permitted. (4) Unbound, except as indicated in horizontal commitments and as follows: Korean doctors with professional certificates issued by their home country shall be permitted to provide short-term medical services in China after they obtain licenses from the National Health and Family Planning Commission. The term of service is six months and may extend to one year.	(1) None (2) None (3) The majority of doctors and medical personnel of the joint venture hospital and clinics shall be of Chinese nationality. (4) Unbound, except as indicated in horizontal commitments.		
B. Computer and Related Services (<i>Computer and related services do not cover the economic activity consisting of the provision of content services which require computer and related services as means of supply</i>)	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.		
(a). Consultancy services related to the installation of computer hardware (CPC 841)				

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(b) Software implementation services (CPC 842)	(1) None (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.	
(c) Data processing services (CPC 843)			
- <i>Input preparation services (CPC 8431)</i>			
- <i>Data processing and tabulation services (CPC 8432)</i>	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: certified engineers, or personnel with Bachelor's degree (or above) and three years of experience in these fields.	
- <i>Time-sharing services (CPC 8433)</i>			

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
D. Real Estate Services			
(a) Real estate services involving own or leased property (CPC 821)	(1) None (2) None (3) Wholly foreign-owned enterprises are allowed.	(1) None (2) None (3) None	
(b) Real estate services on a fee or contract basis (CPC 822)	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	
F. Other Business Services			
(a) Advertising Services (CPC 871)	(1) Only through advertising agents registered in China who have the right to provide foreign advertising services. (2) Only through advertising agents registered in China who have the right to provide foreign advertising services. (3) Korean service suppliers are permitted to establish advertising enterprises in China, wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(b) Market research services (CPC 86401, only limited to investigation services designed to secure information on the prospects and performance of an organization's products in the market)	(1) Unbound (2) Unbound (3) Only in the form of joint ventures, with foreign majority ownership permitted. Economic needs tests are required. (4) Unbound except as indicated in horizontal commitments. Requirement for a commercial presence.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(c) Management Consulting services (CPC 865)	(1) None (2) None (3) Wholly foreign-owned subsidiaries are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(d) Services related to management consulting (only limited to the following sub-sector) - Project management services other than for construction (CPC 86601)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. Economic needs tests are required. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.	
(e) Technical testing and analysis services (CPC 8676) and freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services	(1) None (2) None (3) Korean services suppliers which have been engaged in inspection services in their home countries for more than three years are permitted to establish joint venture technical testing, analysis and freight inspection companies with no less than US\$ 350,000 in registered capital. Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(f) Services incidental to agriculture, forestry, hunting and fishing (CPC 881, 882)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply	(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(k) Placement and supply services of Personnel (CPC 872, excluding CPC 87209)	(1) Unbound (2) Unbound (3) Only in the form of joint ventures, with foreign majority ownership permitted. Economic needs tests are required. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.	
m. Related scientific technical consulting services (CPC 8675) - Geological, geophysical (excluding regional gravity and magnetism prospecting services) and other scientific prospecting services (CPC 86751) - Sub-surface surveying services (CPC 86752)	(1) None (2) None (3) Only in the form of petroleum exploitation in cooperation with Chinese partners (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Onshore oil-field services	(1) None (2) None (3) Only in the form of petroleum exploitation in cooperation with China National Petroleum Corp. (CNPC) in the designated areas approved by the Chinese government. In order to carry out the petroleum contract, the Korean service supplier shall establish a branch, subsidiary or representative office within the territory of the People's Republic of China and go through registration formalities in accordance with the laws. The domiciles of the said offices shall be determined through consultation with CNPC. The Korean service supplier shall open its bank account with a bank approved by the Chinese authorities to engage in foreign exchange business within the Chinese territory. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) The Korean service supplier shall furnish CNPC accurately and promptly with the reports on the petroleum operations, and shall submit to CNPC the data and samples as well as various technological, economic, accounting and administrative reports related to petroleum operations. CNPC shall have the ownership of all of the data records, samples, vouchers and other original information acquired during the implementation of the petroleum operations. The Korean investment of service suppliers shall be made in US dollars or other hard currencies. (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(o) Building-cleaning services (CPC 874)	(1) Unbound* (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(p) Photographic services (CPC 875)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(q) Packaging services (CPC 876)	(1) None (2) None (3) Korean service suppliers are permitted to establish wholly foreign-owned subsidiaries. (4) Unbound, except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal commitments.	
(r) Printing of packaging materials, on a fee or contract basis (Only limited to the printing of packaging materials)	(1) Unbound (2) Unbound (3) Wholly foreign-owned enterprises are permitted. Economic needs tests are required. (4) Unbound except as indicated in Horizontal Commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in Horizontal Commitments.	

* Unbound due to lack of technical feasibility.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(s) Convention services (CPC 87909)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(t) Translation and interpretation services (CPC 87905)	(1) None (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Qualifications are as follows: three years of experience in translation or interpretation and a good command of the working language(s).	
- Maintenance and repair services(CPC 63, 6112 and 6122)	(1) None	(1) None	
- Maintenance and repair services of office machinery and equipment including computers (CPC 845 and 886)	(2) None	(2) None	
- Rental and leasing services (CPC 831, 832, excluding CPC 83202)	(3) Wholly foreign-owned subsidiaries will be permitted. For Rental and Leasing services, service suppliers will have global assets of US\$ 5 million. (4) Unbound except as indicated in horizontal commitments.	(3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector		Limitations on market access	Limitation on national treatment	Additional commitments
2. COMMUNICATION SERVICES				
B. Courier Services (CPC 75121, except for those specifically reserved to Chinese postal authorities by the related law at the time of China's accession to WTO on December 11th 2001)		(1) None (2) None (3) Korean service suppliers are permitted to establish wholly foreign-owned subsidiaries (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
C. Telecommunication Services ³ Value-added Services Including the following: (h) Electronic mail (i) Voice mail (j) On-line information and database retrieval (k) Electronic data interchange (l) Enhanced/Value-added facsimile services (including store and forward, store and retrieve) (m) Code and protocol conversion (n) On-line information and/or data processing (including transaction processing)		(1) See mode 3 (2) None (3) Korean service suppliers are permitted to establish joint venture value-added telecommunication enterprises, and foreign investment in the joint ventures shall be no more than 50 per cent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

³ China's commitments are scheduled in accordance with the following: Notes for Scheduling Basic Telecom Services Commitments (S/GBT/W/2/REV/1) and Market Access Limitations on Spectrum Availability (S/GBT/W/3) attached hereto.

All international telecommunications services shall go through gateways established with the approval of China's telecommunications authorities, which will act as an independent regulatory authority in accordance with the principles of paragraph 5 of the Reference Paper.

Further liberalization of this sector, including with respect to the level of equity participation permitted, will be discussed in the services negotiations during the new round of trade talks.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
Basic Telecommunication Services - Paging Services	(1) See mode 3 (2) None (3) Korean service suppliers are permitted to establish joint venture enterprises, and foreign investment in the joint ventures shall be no more than 50 per cent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	China undertakes the obligations contained in the Reference Paper in Annex 1 attached hereto.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
Mobile Voice and Data Services: - Analogue / Digital / Cellular Services - Personal Communication Services	(1) See mode 3 (2) None (3) Korean service suppliers are permitted to establish joint ventures only, and foreign investment in the joint ventures shall be no more than 49 per cent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Domestic Services (a) Voice services (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (f) Facsimile services (g) Domestic private leased circuit services	(1) See mode 3 (2) None (3) Korean service suppliers are permitted to establish joint ventures only, and foreign investment in the joint ventures shall be no more than 49 per cent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
- International Services (a) Voice services (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (f) Facsimile services (g) International closed user group voice and data services (use of private leased circuit service is permitted)			

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
D. Audiovisual Services	(1) None (2) None	(1) None (2) None	Without prejudice to compliance with China's regulations on the administration of films, China will allow the importation of motion pictures for theatrical release on a revenue-sharing basis and the number of such imports shall be 20 on an annual basis.
- Videos, including entertainment software and (CPC 83202), distribution services	(3) Korean services suppliers are permitted to establish contractual joint ventures with Chinese partners to engage in the distribution of audiovisual products, excluding motion pictures, without prejudice to China's right to examine the content of audio and video products (see footnote 1).	(3) None	
- Sound recording distribution services	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	
- Cinema Theatre Services	(1) None (2) None (3) Korean services suppliers are permitted to construct and/or renovate cinema theatres, with foreign investment no more than 49 per cent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments	
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 511, 512, 513 ⁴ , 514, 515, 516, 517, 518 ⁵)	(1) Unbound* (2) None (3) Joint ventures, with foreign majority ownership are permitted. Wholly foreign-owned enterprises are permitted. Wholly foreign-owned enterprises can only undertake the following five types of construction projects. 1. Construction projects wholly financed by foreign investment and/or grants. 2. Construction projects financed by loans of international financial institutions and awarded through international tendering according to the terms of loans. 3. Chinese-foreign jointly constructed projects with foreign investment equal to or more than 50 per cent; and Chinese-foreign jointly constructed projects with foreign investment less than 50 per cent but technically difficult to be implemented by Chinese construction enterprises alone.	(1) Unbound* (2) None (3) None	The contract performance of the construction enterprises established in China by Korean service suppliers both in China and outside China shall be taken into account in assessing the qualification of the construction enterprise in China.	

⁴ Including dredging services relating to infrastructure construction.

⁵ Coverage of CPC 518 is limited only to the rental and leasing services of construction and/or demolition machines with operator which are owned and used by foreign construction enterprises in their supply of services.

* Unbound due to lack of technical feasibility.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	4. Chinese invested construction projects which are difficult to be implemented by Chinese construction enterprises alone can be jointly undertaken by Chinese and foreign construction enterprises with the approval of provincial government. 5. Construction enterprises established by Korean service suppliers in Shanghai Pilot Free Trade Zone undertaking the Chinese-foreign jointly constructed projects located in Shanghai are not restricted by the requirement for foreign investment ownership. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
4. DISTRIBUTION SERVICES (as defined in Annex 2)			
A. Commission Agents' Services (excluding salt, tobacco)	(1) Unbound (2) None (3) Wholly foreign-owned enterprises are allowed.	(1) Unbound (2) None (3) None	Foreign-invested enterprises are permitted to distribute their products manufactured in China, including the products listed in the market access or sector or sub-sector column, and provide subordinate services as defined in Annex 2. Foreign service suppliers are permitted to provide the full range of related subordinate services, including after sales services, as defined in Annex 2, for the products they distribute.
B. Wholesale Trade Services ⁶ (excluding salt, tobacco)	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

⁶ The restrictions on mode 1 shall not undermine the rights of WTO Members to the right to trade as stipulated in Chapter 5 of China's Protocol of accession to the WTO.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
C. Retailing Services (excluding tobacco).	(1) Unbound except for mail order. (2) None (3) Wholly foreign-owned enterprises are allowed, except for: -Chain stores which sell products of different types and brands from multiple suppliers with more than 30 outlets. For such chain stores with more than 30 outlets, foreign majority ownership are not permitted if those chain stores distribute any of the following products: newspapers, magazines, pharmaceutical products, pesticides, mulching films, processed oil, chemical fertilizers and products listed in Annex 2a of the Protocol of China's WTO Accession. The Korean chain store operators will have the freedom of choice of any partner, legally established in China according to China's laws and regulations. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound except for mail order. (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	Foreign-invested enterprises may distribute their products manufactured in China, including those excepted products as listed in the market access or sector or sub-sector column, and provide subordinate services as defined in Annex 2. Foreign service suppliers are permitted to provide full range of related subordinate services, including after sales services, as defined in Annex 2, for the products they distribute.
D. Franchising	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
E. Wholesale or retail trade services away from a fixed location.	(1) None (2) None (3) None ⁷ . (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None. (4) Unbound except as indicated in horizontal commitments.	

⁷ See paragraph 310 of the Working Party Report on the Accession of China to the WTO.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
5. EDUCATIONAL SERVICES (Excluding special education services e.g. military, police, political and party school education)			
A. Primary education services (CPC 921, excluding national compulsory education in CPC 92190)	(1) Unbound (2) None (3) Joint schools may be established, with foreign majority ownership permitted.	(1) Unbound (2) None (3) Unbound	
B. Secondary education services (CPC 922, excluding national compulsory education in CPC 92210)	(4) Unbound except as indicated in horizontal commitments and the following: Korean individual education service suppliers may enter into China to provide education services when invited or employed by Chinese schools and other education institutions.	(4) Qualifications are as follows: - possession of Bachelor's degree or above; - and an appropriate professional title or certificate, with two years' professional experiences.	
C. Higher education services (CPC 923)			
D. Adult education services (CPC 924)			
E. Other education services (CPC 929, including English language training)			

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
6. ENVIRONMENTAL SERVICES (excluding environmental quality monitoring and pollution source inspection)			
A. Sewage Services (CPC 9401)	(1) Unbound except for environmental consultation services.	(1) None	
B. Solid Waste Disposal Services (CPC 9402)	(2) None	(2) None	
C. Cleaning Services of Exhaust Gases (CPC 9404)	(3) Wholly foreign-owned enterprises are allowed.	(3) None	
D. Noise Abatement Services (CPC 9405)	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	
G. Sanitation Services (CPC 9403)			
E. Nature and Landscape Protection Services (CPC 9406 excluding the construction and operation of Natural Reserves and Ramsar Sites)	(1) Unbound except for environmental consultation services.	(1) None	
F. Other Environmental Protection Services (CPC 9409)	(2) None	(2) None	
	(3) Korean services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted.	(3) None	
	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	
7. FINANCIAL SERVICES			

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
A. All Insurance and Insurance-Related Services (a) Life, health and pension/annuities insurance (b) Non-life insurance (c) Reinsurance (d) Services auxiliary to insurance	(1) Unbound except for : (a) reinsurance; (b) international marine, aviation, and transport insurance; and (c) brokerage for large scale commercial risks, international marine, aviation, and transport insurance, and reinsurance. (2) Unbound for brokerage. Other, none. (3) A. <u>Form of establishment</u> Non-life insurers of Korea are permitted to establish as a branch or as a wholly-owned subsidiary; i.e., with no form of establishment restrictions. Life insurers of Korea are permitted 50 per cent foreign ownership in a joint venture with the partner of their choice.	(1) None (2) None (3) None, except for: - Korean insurance institutions shall not engage in the statutory insurance business.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	The joint venture partners can freely agree the terms of their engagement, provided they remain within the limits of the commitments contained in this schedule. For brokerage for insurance of large scale commercial risks and brokerage for reinsurance and brokerage for international marine, aviation, and transport insurance and reinsurance: wholly foreign owned subsidiary are permitted. For other brokerage services: Unbound. Internal branching is permitted for Korean insurance firms which have established joint venture insurance companies or wholly owned subsidiaries in China. Internal branching is permitted for brokerage for insurance of large scale commercial risks and brokerage for reinsurance and brokerage for international marine, aviation, and transport insurance and reinsurance which have established wholly foreign-owned subsidiaries in China.		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	B. <u>Business Scope</u> Non-life insurers of Korea are permitted to provide "master policy"(see ANNEX 3) insurance/insurance of large scale commercial risks, which has no geographic restrictions. In accordance with national treatment, insurance brokers of Korea are permitted to provide "Master policy" no later than Chinese brokers, under conditions no less favourable.		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	Non-life insurers of Korea are permitted to provide the full range of non-life insurance services to both foreign and domestic clients. Insurers of Korea are permitted to provide health insurance, individual/group insurance and pension/annuities insurance to foreigners and Chinese. Insurers of Korea are permitted to provide reinsurance services for life and non-life insurance as a branch, joint venture, or wholly foreign-owned subsidiary, without geographic or quantitative restrictions on the number of licenses issued.		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	C. <u>Licenses</u> Licenses will be issued with no economic needs test or quantitative limits on licenses. Qualifications for establishing an insurance institution of Korea are as follows: - the investor shall be a Korean insurance company with more than 30 years of establishment experience in a WTO member; - it shall have a representative office for two consecutive years in China; - it shall have total assets of more than US \$5 billion at the end of the year prior to application, except for insurance brokers. Insurance brokers shall have total assets of more than US\$ 200 million. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector		Limitations on market access	Limitation on national treatment	Additional commitments
B. Banking and Other Financial Services (excluding insurance and securities)				
Banking services as listed below:				
(a) Acceptance of deposits and other repayable funds from the public;		(1) Unbound except for the following:	(1) None	For financial leasing services, Korean financial leasing corporations will be permitted to provide financial leasing service at the same time as domestic corporations.
(b) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;		- Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services;		
(c) Financial leasing;		- Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs (a) through (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.		
(d) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts(including import and export settlement);		(2) None	(2) None	
(e) Guarantees and commitments;		(3) A. <u>Geographic coverage</u>	(3) None, except for prudential measures. ⁸	
(f) Trading for own account or for account of customers: foreign exchange.		For foreign currency and local currency business, there are no geographic restriction.		

⁸ Such prudential measures are in line with Article 9.5 of Financial Services Chapter.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	B. <u>Clients</u> For foreign currency business, financial institutions of Korea are permitted to provide services in China without restriction as to clients. For local currency business, financial institutions of Korea are permitted to provide services to Chinese enterprises. Financial institutions of Korea are permitted to provide services to all Chinese clients. Financial institutions of Korea licensed for local currency business in one region of China may service clients in any other region. C. <u>Licensing</u> Criteria for authorization to deal in China's financial services sector are solely prudential (i.e., contain no economic needs test or quantitative limits on licenses). Financial institutions of Korea who meet the following condition are permitted to establish a subsidiary of a bank of Korea in China:		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	- total assets of more than US \$10 billion at the end of the year prior to filing the application. Financial institutions of Korea who meet the following condition are permitted to establish a branch of a bank of Korea in China: - total assets of more than US \$20 billion at the end of the year prior to filing the application. Financial institutions of Korea who meet the following condition are permitted to establish a Chinese-foreign joint bank in China: - total assets of more than US \$10 billion at the end of the year prior to filing the application. Qualifications for financial institutions of Korea to engage in local currency business are as follows: - three years business operation in China and being profitable for two consecutive years prior to the application, otherwise, none. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Motor vehicle financing by non-bank financial institutions	(1) Unbound except for the following: - Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services; - Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs (a) through (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy. (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Other financial services as listed below: (k) Provision and transfer of financial information, and financial data processing and related software by supplier of other financial services; (l) Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs (a) through (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.	(1) None (2) None (3) None. Criteria for authorization to deal in China's financial services sector are solely prudential (i.e., contain no economic needs test or quantitative limits on licenses). Branches of Korean institutions are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Securities	(1) Unbound except for the following: - (a) Securities institutions of Korea may engage directly (without Chinese intermediary) in B share business. (b) Service suppliers of Korea which meet the requirement of China's relevant laws and regulations are permitted to provide the following services to Chinese Qualified Institutional Investors (QDII): - Trading for account of QDII; - Providing securities trading advice or portfolio management; - Providing custody for overseas assets of QDII. (2) None (3) (a) Unbound, except for the following: - Representative offices in China of securities institutions of Korea may become Special Members of all Chinese stock exchanges.	(1) None (2) None (3) None	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	- Service suppliers of Korea are permitted to establish joint ventures with foreign investment up to 49 per cent to conduct domestic securities investment fund management business. Securities institutions of Korea are permitted to establish joint ventures, with foreign minority ownership not exceeding 49 percent, to engage (without Chinese intermediary) in underwriting A shares and in underwriting and trading of B and H shares as well as government and corporate debts, launching of funds. The joint venture securities companies which meet the regulatory requirements and conditions, upon approval, are permitted to gradually engage in securities brokerage, proprietary trading and asset management. (b). Criteria for authorization to deal in China's financial industry are solely prudential (i.e., contain no economic needs test or quantitative limits on licenses). (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
9. TOURISM AND TRAVEL RELATED SERVICES			
A. Hotels (including apartment buildings) and Restaurants (CPC 641-643)	(1) None (2) None (3) Korean services suppliers may construct, renovate and operate hotel and restaurant establishments in China. Wholly foreign-owned subsidiaries are permitted. (4) Unbound, except as indicated in horizontal commitments and as follows: - Korean managers, specialists including chefs and senior executives who have signed contracts with joint venture hotels and restaurants in China shall be permitted to provide services in China.	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal commitments.	
B. Travel Agency and Tour Operator (CPC 7471)	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal commitments.	(1) None (2) None (3) None except that joint ventures or wholly-owned travel agencies and tour operators are not permitted to engage in the activities of Chinese travelling abroad and to Hong Kong China, Macao China and Chinese Taipei. (4) Unbound, except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments	
11. TRANSPORT SERVICES				
A. Maritime Transport Services - International transport (freight and passengers) (CPC 7211 and 7212 less cabotage transport services)	(1) (a) Liner shipping (including passenger transportation): None (b) Bulk, tramp and other international shipping (including passenger transportation): None (2) None (3) (a) Establishment of registered companies for the purpose of operating a fleet under the national flag of the People's Republic of China: - Korean service suppliers are permitted to establish joint venture shipping companies. - Foreign investment shall not exceed 49 per cent of the total registered capital of the joint venture. - The chairman of board of directors and the general manager of the joint venture shall be appointed by the Chinese side. (b) Other forms of commercial presence for the supply of international maritime transport services: Unbound (4) (a) Ship's crew: Unbound except as indicated in horizontal commitments. (b) Key personnel employed by Commercial Presence as defined under mode (3) (b) above: Unbound except as indicated in horizontal commitments.	(1) (a) None (b) None (2) None (3) (a) None 		

Modes of supply: (1) Cross-border supply		(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access		Limitation on national treatment	Additional commitments
H. Auxiliary Services	(1) Unbound*		(1) Unbound*	
(a) Maritime cargo-handling services (CPC 741)	(2) None		(2) None	
(c) Customs clearance services for maritime transport	(3) Only in the form of joint ventures, with foreign majority ownership permitted.		(3) None	
	(4) Unbound except as indicated in horizontal commitments.		(4) Unbound except as indicated in horizontal commitments.	
(d) Container station and depot services	(1) Unbound*		(1) Unbound*	
	(2) None		(2) None	
	(3) Only in forms of joint ventures, with foreign majority ownership permitted.		(3) None	
	(4) Unbound except as indicated in horizontal commitments.		(4) Unbound except as indicated in horizontal commitments.	

* Unbound due to lack of technical feasibility.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
(e) Maritime agency services	(1) None (2) None (3) Only in forms of joint ventures, with foreign equity share no more than 49 per cent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
B. Internal Waterways Transport (b) Freight transport (CPC 7222)	(1) Only international shipping in ports open to foreign vessels shall be permitted. (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments.	(1) Limitations as indicated under market access column. (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments	
C. Air Transport Services (d) Aircraft repair and maintenance services (CPC 8868)	(1) Unbound* (2) None (3) Korean service suppliers are permitted to establish joint venture aircraft repair and maintenance enterprises in China. The Chinese side shall hold controlling shares or be in a dominant position in the joint ventures. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) The joint ventures have the obligation to undertake business in the international market. (4) Unbound except as indicated in horizontal commitments.	

* Unbound due to lack of technical feasibility.

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
- Computer Reservation System (CRS) services	(1) (a) Foreign Computer Reservation System, when having agreements with Chinese aviation enterprises and Chinese Computer Reservation System, may provide services to Chinese aviation enterprises and Chinese aviation agents by connecting with Chinese Computer Reservation System.	(1) None	
	(b) Foreign Computer Reservation System may provide services to representative offices and sales offices established in the destination cities in China by Korean aviation enterprises which have the right to engage in business according to the bilateral aviation agreements. (c) Direct access to and use of foreign Computer Reservation System by Chinese aviation enterprises and agents of Korean aviation enterprises are subject to approval of the General Administration of Civil Aviation of China (CAAC). (2) None (3) Korean service providers are permitted to establish joint ventures with Chinese CRS providers in China to provide CRS services. The Chinese side shall hold controlling shares or be in a dominant position in the joint ventures. Licences for the establishment of joint ventures are subject to economic needs test. (4) Unbound except as indicated in horizontal commitments	(2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
E. Rail Transport Services	(1) None	(1) None	
F. Road Transport Services	(2) None	(2) None	
- Freight transportation by rail (CPC 7112)	(3) For rail transport, wholly foreign-owned subsidiaries are permitted.	(3) None	
- Freight transportation by road in trucks or cars (CPC 7123)	For road transport, wholly foreign-owned subsidiaries are permitted.		
	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	
- Passenger transportation (CPC 71213)	(1) Unbound	(1) Unbound	
	(2) Unbound	(2) Unbound	
	(3) Only in the form of joint ventures, with foreign investment not to exceed 49 per cent. Economic needs tests are required.	(3) None	
	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	
H. Services Auxiliary to all Modes of Transport	(1) Unbound	(1) Unbound	
- Storage and warehousing services (CPC 742)	(2) None	(2) None	
	(3) Wholly foreign-owned subsidiaries are permitted.	(3) None	
	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments	
- Freight forwarding agency services (CPC 748 and 749 excluding freight inspection)	(1) None	(1) None	
	(2) None	(2) None	
	(3) Freight forwarding agencies of Korea which have at least three consecutive years experience are permitted to set up freight forwarding agency joint ventures in China, wholly foreign-owned subsidiaries are permitted.	(3) None	
	Operation term of the joint ventures shall not exceed 20 years.		
	After one year operating in China, the joint venture can set up branches.		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitation on national treatment	Additional commitments
	A freight forwarding agency of Korea may set up a second joint venture after its first joint venture has been in operation for two years. (4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	

ANNEX 1

Reference Paper

Scope

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that:

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. Interconnection

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided.

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4 Transparency of interconnection arrangements

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) at any time; or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal service

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and
- (b) the terms and conditions of individual licences.

The reasons for the denial of a licence will be made known to the applicant upon request.

5. Independent regulators

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

WORLD TRADE ORGANIZATION

S/GBT/W/2/Rev.1

16 January 1997

(97-0173)

Group on Basic Telecommunications

Note by the Chairman

Revision

It has been suggested by a number of delegations that it might be helpful to produce a brief and simple note on assumptions applicable to the scheduling of commitments in basic telecoms. The purpose of the attached note is to assist delegations in ensuring the transparency of their commitments and to promote a better understanding of the meaning of commitments. This note is not intended to have or acquire any binding legal status.

NOTES FOR SCHEDULING BASIC TELECOM SERVICES COMMITMENTS

1. Unless otherwise noted in the sector column, any basic telecom service listed in the sector column:
 - (a) encompasses local, long distance and international services for public and non-public use;
 - (b) may be provided on a facilities-basis or by resale; and
 - (c) may be provided through any means of technology (e.g., cable¹, wireless, satellites).
2. Subsector (g) --private leased circuit services -- involves the ability of service suppliers to sell or lease any type of network capacity for the supply of services listed in any other basic telecom service subsector unless otherwise noted in the sector column. This would include capacity via cable, satellite and wireless network.

¹Including all types of cable.

3. In view of points 1 and 2 above, it should not be necessary to list cellular or mobile services as a separate subsector. However, a number of Members have done so, and a number of offers have commitments only in these subsectors. Therefore, in order to avoid extensive changes in schedules, it would seem appropriate for Members to maintain separate entries for these subsectors.

WORLD TRADE ORGANIZATION

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Group on Basic Telecommunications

Original: English

CHAIRMAN'S NOTE

Market Access Limitations on Spectrum Availability

Many Members have entries in the market access column of their schedules indicating that commitments are "subject to availability of spectrum/frequency" or similar wording. In light of the physical nature of spectrum and the constraints inherent in its use, it is understandable that Members may have sought to rely on these words to adequately protect legitimate spectrum management policies. There is, however, doubt that words such as "subject to availability of spectrum/frequency" as listed in the market access column of many Members' schedules achieve that objective.

Spectrum/frequency management is not, *per se*, a measure which needs to be listed under Article XVI. Furthermore under the GATS each Member has the right to exercise spectrum/frequency management, which may affect the number of service suppliers, provided that this is done in accordance with Article VI and other relevant provisions of the GATS. This includes the ability to allocate frequency bands taking into account existing and future needs. Also, Members which have made additional commitment in line with the Reference Paper on regulatory principles are bound by its paragraph 6.

Therefore, words such as "subject to availability of spectrum/frequency" are unnecessary and should be deleted from Members' schedules.

ANNEX 2

Distribution Services

Distribution trade services are comprised of four main sub-sectors:

- commission agents services;
- wholesaling;
- retailing; and
- franchising.

The principal services rendered in each subsector can be characterized as reselling merchandise, accompanied by a variety of related subordinated services, including inventory management; assembly, sorting and grading of bulk lots; breaking bulk lots and redistributing into smaller lots; delivery services; refrigeration, storage, warehousing and garage services; sales promotion, marketing and advertising, installation and after sales services including maintenance and repair and training services. Distribution services are generally covered by CPC 61, 62, 63 and 8929.

Commission Agents' Services consist of sales on a fee or contract basis by an agent, broker or auctioneer or other wholesalers of goods/merchandise and related subordinated services.

Wholesaling consist of the sale of goods/merchandise to retailers to industrial, commercial, institutional, or other professional business users, or to other wholesalers and related subordinated services.

Retailing services consist of the sale of goods/merchandise for personal or household consumption either from a fixed location (e.g., store, kiosk, etc.) or away from a fixed location and related subordinated services.

Franchising services consist of the sale of the use of a product, trade name or particular business format system in exchange for fees or royalties. Product and trade name franchising involves the use of a trade name in exchange for fees or royalties and may include an obligation for exclusive sale of trade name products. Business format franchising involves the use of an entire business concept in exchange for fees and royalties, and may include the use of a trade name, business plan, and training materials and related subordinated services.

ANNEX 3

Insurance: Definition of "Master Policy"

Master policy is the policy that provides blanket coverage for the same legal person's property and liabilities located in different places. Master policy may only be issued by the business department of an insurer's head office or that of its authorized province-level branch offices. Other branches are not allowed to issue master policy.

Master policy business with the state key construction projects as its subject-matter insured. If investors on the state key construction projects (i.e., projects that are so listed and annually announced by the State Development and Planning Commission) meet either of the following requirements, they may purchase master policy from insurers that are located in the same place as the investors' legal persons do.

The investment on the subject-matter insured is all from China (including the reinvestment from the foreign-invested enterprises in China), and the sum of investment of the investor accounts for over 15 per cent of the total investment.

The investment is partially from abroad, and partially from China (including the reinvestment from the foreign-invested enterprises in China), and the sum of investment of the Chinese investor accounts for over 15 per cent for the total domestic investment.

For those projects that draw investment all from abroad, every insurer may provide coverage in the form of master policies.

Master policy covering different subjects-matter insured of the same legal person. For those subjects-matter insured located in different places and owned by the same legal person (excluding financial, railway, and post and telecommunications industries and enterprises), master policy may be issued on the basis of either of the following conditions.

For the sake of payment of premium tax, insurance companies incorporated where the legal person or accounting unit of the insurance applicant is located are allowed to issue master policy.

If over 50 per cent of insurance amount of the subject-matter insured is from a larger or medium sized city, then insurers in that city are allowed to issue master policy, no matter whether the insurance applicant's legal person or accounting unit is located in the city.

Motor insurance, credit insurance, employer liabilities insurance, statutory insurance, and other insurance business excluded by the CIRC can not be underwritten or co-insured by insurers located other than where the subject-insured are located, or covered under a master policy

Annex 8-A-1

KOREA

Schedule of Specific Commitments

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS			
* : An asterisk on the CPC(UN provisional Central Product Classification : Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991) Code number indicates that the corresponding service sub-sector in this schedule only covers a part or parts of the service sub-sector classified under the given CPC code number. “Unbound*” means unbound due to lack of technical feasibility.			
ALL SECTORS INCLUDED IN THIS SCHEDULE	3) The acquisition of outstanding stocks of existing domestic companies in such areas as energy and aviation by natural person or juridical persons of China may be restricted. The foreign investment in newly privatized companies may be restricted.	3) The acquisition of land is unbound except: (i) that the acquisition of land by companies which are not deemed as foreign under the Foreigner’s Land Acquisition Act is permitted, and (ii) that the acquisition of land by companies which are deemed as foreign under the Foreigner’s Land Acquisition Act and branches of foreign company is permitted, subject to approval or notification in accordance with the Foreigner’s Land Acquisition Act, for the following legitimate business purposes: - land used for supplying services during the course of normal business activities; - land used for housing senior company personnel under pertinent laws; and - land used for fulfilling land-holding requirements stipulated by pertinent laws. Eligibility for subsidies, including tax benefits, may be limited to companies which are established in Korea according to the pertinent	3) Residents who have been treated as foreigners in the Financial Investment Services and Capital Markets Act are accorded national treatment in portfolio investment in Korean stocks.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	4) Unbound except as per the commitments in the Chapter on Movement of Natural Persons.	laws. Unbound for research and development subsidies. 4) The acquisition of land is unbound except that the lease hold right of land is permitted Eligibility for subsidies, including tax benefits, may be limited to residents according to the pertinent laws.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. SECTOR-SPECIFIC COMMITMENTS			
1. <u>BUSINESS SERVICES</u>			
A. <u>Professional Services</u>			

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
a. Legal services; (CPC 861*) Advisory Services on law of the jurisdiction where service supplier is qualified as a lawyer and on public international law, excluding the following : (i) representation for juridical or statutory procedures in courts and other government agencies as well as preparation of legal documents for such procedures ; (ii) legal representation for the entrustment of the preparation of notarial deeds ;	1) None 2) None 3) Only in the form of representative office. Association with or employment of local lawyers with Korean qualification or equivalent is not permitted. 4) Unbound except as indicated in the Horizontal Commitments section. Commercial presence is required.	1) None 2) None 3) Foreign legal consultants are required to stay in Korea not less than 180 days per year. 4) Unbound except as indicated in the Horizontal Commitments section.	(i) Representation in international commercial arbitration is permitted, provided that the applicable procedural and substantive laws in the arbitration are the laws which the foreign legal consultant is qualified to practice in Korea. (ii) Use of firm name is permitted, provided that it is used with reference to "Foreign legal consultants office" in Korean.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(iii) activities concerning labor affairs consulting services or a legal case whose objective is the acquisition or loss or change of rights concerning real property in Korea, intellectual property rights, mining rights or other rights arising upon registration thereof with government agencies in Korea ; and (iv) activities in legal cases concerning family relations or inheritance, in which a Korean national is involved as a party or the property concerned is located in Korea.			

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
※ Notes The following information is provided for transparency purposes only : i) A foreign lawyer who wishes to practice law as a foreign legal consultant in Korea must be approved by the Minister of Justice, must have practiced law for at least 3 years in the jurisdiction where he/she is qualified as a lawyer, and must be in good standing of the legal profession in the jurisdiction. ii) Permission of the Minister of Justice is required for the establishment of a representative office in Korea. The representative office consists of a FLC or FLCs approved by the Minister of Justice. It must have credibility and expertise, and sufficient capability to compensate for damages caused to the client, if any. The chief of the representative office must have practiced law for at least 7 years, including 3 years in the jurisdiction of his/her qualification. iii) A representative office can conduct profit-making activities provided that such presence in Korea maintains proper business plans and financial bases and must observe the Foreign Legal Consultant Act, its presidential decree and enforcement rule. iv) For the purpose of the commitment to this sector, only the law firm which is organized under relevant law of China and headquartered in China can establish its representative office in Korea. Any type of subordinate or dependent legal entity, including but not limited to a branch, a local office, a subsidiary or a joint-venture firm of the law firm of a country other than China shall not be permitted to establish its representative office in Korea. v) Korea reserves the right to adopt or maintain any measure, including but not limited to (a) restrictions on certification, approval, registration, admission, and supervision of and any other requirements with respect to, foreign country-licensed lawyers or foreign law firms supplying any type of legal services in Korea (b) restrictions on foreign country-licensed lawyers or foreign law firms entering into partnerships, commercial associations, affiliations, or any other type of relationship regardless of legal form, with byeon-ho-sa (Korean-licensed lawyers), Korean law firms, beop-mu-sa (Korean-certified judicial scriveners), byeon-ri-sa (Korean-licensed patent attorneys), gong-in-hoe-gye-sa (Korean-certified public accountants), se-mu-sa (Korean-certified tax accountants), or gwan-se-sa (Korean customs brokers) (c) restrictions on foreign country-licensed lawyers or foreign law firms hiring byeon-ho-sa (Korean-licensed lawyers), beop-mu-sa (Korean-certified judicial scriveners), byeon-ri-sa (Korean-licensed patent attorneys), gong-in-hoe-gye-sa (Korean-certified public accountants), se-mu-sa (Korean-certified tax accountants) or gwan-se-sa (Korean customs brokers) in Korea; and (d) restrictions on senior management and the board of directors of legal entities supplying foreign legal consulting services, including with respect to the chairman.			

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
b. Accounting, auditing and book-keeping services (CPC 862)	1) Unbound for auditing services. 2) Unbound for auditing services. 3) Only sole proprietorships, auditing task forces, and accounting corporations (limited liability companies) by CPAs licensed under the Certified Public Accountant Law are permitted. Only CPAs in auditing task forces, and accounting corporations (limited liability companies) are allowed to supply auditing services.	1) None 2) None 3) None	1)2)3) A Korean accounting firm or office may, by paying an annual membership fee, acquire membership to international accounting organizations which have world-wide business networks. The following services may be supplied to a Korean accounting firm or office through a membership contract: - Consultancy for foreign accounting standards and auditing, training of CPAs, transfer of auditing technology and exchange of information.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
c. Taxation services (CPC 863)	4) Unbound except as indicated in the Horizontal Commitments section. 1) Unbound for tax reconciliation services and tax representative services. 2) Unbound for tax reconciliation services and tax representative services. 3) Only sole proprietorships, tax reconciliation task forces, and tax agency corporations (limited liability companies) by CTAs licensed under the Certified Tax Accountant Law are permitted. Only CTAs in tax reconciliation task forces, and tax agency corporations (limited liability companies) are allowed to supply tax reconciliation services.	4) Unbound except as indicated in the Horizontal Commitments section. In order to practice as a CPA, a candidate must have field experience of two years in Korea after passing the CPA examination. 1) None 2) None 3) None	4) Temporary movement of natural persons who are qualified as CPAs under their home country's laws and are employed by international accounting firms for the purpose of supplying the services mentioned above is allowed. Entry and stay of these persons is limited to a one-year period that may be extended if extension is deemed to be necessary.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section. In order to practice as a CTA, a candidate must have field experience of six months in Korea after passing the CTA examination.	

d. Architectural services (CPC 8671)	1) Commercial presence ¹ is required. 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1)2)4) Supply of services by foreign architects through joint contracts with architects licensed under Korean law is allowed. The Foreign-certified/licensed architects who have completed a professional practice of 5 years and are recognized to have an equal professional status as that of Korean architects by the Minister of Land, Infrastructure and Transport are eligible to apply for the Architect Certifying Examination without having completed the intern development program enforced in Korea. They may acquire a Korean architect license by passing the following two subjects of the Architect Qualifying Examination. (a) Architectural design I; and (b) Architectural design II.
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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
e. Engineering services (CPC 8672)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
f. Integrated engineering services (CPC 8673)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
g. Urban planning and landscape architectural services (CPC 8674)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
i. Veterinary services (CPC 932)	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None 3) Unbound 4) Unbound	
B. <u>Computer and Related Services</u>			
a. Consultancy services related to the installation of computer hardware (CPC 841)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

¹ Commercial presence need not be a juridical person.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
b. Software implementation services (CPC 842)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
c. Data processing services (CPC 843)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
d. Data base services (CPC 844)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
e. Other (CPC 845, 849)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
C. <u>Research and Development Services</u>			

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
a. Research and development services on natural sciences (CPC 851)	1) None	1) For marine scientific research, a foreign person, a foreign government, or Korean enterprise owned or controlled by a foreign person that intends to conduct marine scientific research in the territorial water or exclusive economic zone of Korea must obtain prior authorization or consent from the Ministry of Oceans and Fisheries.	
	2) None	2) None	
	3) Unbound	3) Unbound	
	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	
b. Research and development services on social sciences and humanities (CPC 852)	1) None	1) None	
	2) None	2) None	
	3) None	3) None	
	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	
c. Interdisciplinary research and development services (CPC 853)	1) None	1) None	
	2) None	2) None	
	3) Unbound	3) Unbound	
	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	
D. <u>Real Estate Services</u>			
Brokerage services (CPC 82203*, 82204*, 82205*, 82206*)	1) Unbound	1) Unbound	
	2) None for real estate located abroad	2) None for real estate located abroad	
	3) None	3) None	
	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Appraisal services (CPC 82201*, 82202*) Excluding appraisal services related to services supplied in the exercise of governmental authority such as assessment of land prices and compensation for expropriation	1) Unbound 2) None for real estate located abroad 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None for real estate located abroad 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
E. <u>Rental/Leasing Services without Operators</u>			
a. Relating to ships (CPC 83103)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
b. Relating to aircraft (CPC 83104)	1) Unbound 2) Unbound 3) Joint venture in which foreign equity participation is less than 50% is permitted. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) Representatives of joint venture companies must be Korean nationals. 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
c. Relating to other transport equipment (CPC 83101, 83105*) ²	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
d. Relating to other machinery and equipment (CPC 83106 - 83109)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
e. Other			
Leasing or rental services concerning personal or household goods (CPC 832)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

² 83105*: Only passenger vehicles for less than 15 passengers under CPC 83105.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Other Business Services</u>			
a. Advertising services (CPC 871)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
b. Market research and public opinion polling services (CPC 864)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
c. Management consulting services (CPC 865)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
d. Project management services (CPC 86601)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
e. Composition and purity testing and analysis services (CPC 86761*) ³	1) None 2) None 3) Establishment of a commercial presence is subject to the economic needs test. Main Criteria: The number of and impact on existing domestic suppliers, protection of public health, safety, and environment. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
e. Technical inspection services (CPC 86764)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
f. Consulting services related to agriculture and animal husbandry (CPC 8811*, 8812*)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
f. Services incidental to forestry and logging excluding aerial fire fighting and disinfection (CPC 8814*)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

³ 86761: Only inspection, testing and analysis services of air, water, noise level and vibration level under CPC 86761.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
g. Consulting services related to fishing (CPC 882*)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
h. Services incidental to mining (CPC 883)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
i. Services incidental to manufacturing: Only consulting services related to manufacturing technologies of new products (CPC 884* and 885* excluding 88411, 88450, 88442, and 88493)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
k. Placement services of personnel (CPC 87201*, 87202*) Excluding placement services for seafarers under the Seafarers Act	1) None 2) None 3) Foreign service suppliers may supply services only in the form of a corporation under the Commercial Act. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
※ Notes on placement services of personnel for transparency purposes: 1. The corporations shall follow the rules for service fees determined and announced by the Minister of Employment and Labor. 2. The corporations shall be established with a paid-in capital of 50 million won or more. If suppliers wish to install additional branch offices, the total paid-in capital shall increase by 20 million won for each branch office additionally installed.			

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
m. Related scientific and technical consulting services	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Geological, geophysical and other scientific prospecting services (CPC 86751) Subsurface surveying services (CPC 86752)			
Surface surveying services (CPC 86753*)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Excluding services related to cadastral survey			
Map-making services (CPC 86754*)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Excluding services related to cadastral maps			
n. Maintenance and repair of equipment (CPC 633, 8861, 8862, 8863, 8864, 8865, 8866)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
p. Photographic services (CPC 875)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
q. Packaging services (CPC 876)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
r. Printing (CPC 88442*) ⁴	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
r. Publishing (CPC 88442*) Excluding publishing services of newspapers and periodicals	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section.	
s. Convention agency services (CPC 87909*)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
s. Stenography services (CPC 87909*)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

⁴ 88442: Screen painting, gravure printing and services related to printing under CPC 88442.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
t. Translation and interpretation services (CPC 87905)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
t. Specialty design services (CPC 87907)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

2. COMMUNICATION SERVICES B. <u>Courier Services</u> Courier services including express delivery services⁵ (CPC 7512*) Excluding the services to collect, process, and deliver letters for which exclusive rights⁶ are reserved for the Korean Postal Authority(KPA) under the Postal Service Act .⁷ The exclusive rights of the KPA include the right of access to its postal network and operation thereof. The commitment shall not be construed to include the right to operate transport services under one's own responsibility for hire. The commitment shall not include, under any circumstances, the grant of air traffic rights to courier operators with own Air Operator's Certificate (AOC) and aircraft fleet.	1) Provision of services is limited to air and sea transport modes. 2) None 3) A trucking business license for domestic courier supply is subject to an economic needs test. For greater certainty, a person acquiring an existing domestic courier services supplier does not need to obtain a new trucking business license provided that the acquirer operates under the same terms and conditions as set out in the acquiree's license. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Provision of services is limited to air and sea transport modes. 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
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⁵ “Express delivery services” means the collection, transport, and delivery of documents, printed matter, parcels, goods, or other items on an expedited basis while tracking and maintaining control of these items throughout the supply of the service.

⁶ For greater certainty, Korea reserves the right to adopt or maintain any measure with respect to:

- (a) the supply of support services to postal offices by military service personnel or other personnel of the equivalent status, and
- (b) the Minister of Science, ICT and Future Planning’s determination of the total number of vehicles that may belong to the Ministry of Science, ICT and Future Planning and allocation of the vehicles to postal offices, not needing authorisation from the Minister of Land, Infrastructure and Transport .

⁷ However, Article 3 of the Enforcement Decree of the Postal Service Act, allows private couriers to operate commercial document services, which include a) unsealed freight-attached documents or dispatch notes, b) trade-related documents, c) foreign capital or technology-related documents, and d) foreign exchange or its related documents.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Telecommunication Services</u>	1) The provision of all services is subject to commercial arrangements with licensed Korean service suppliers.	1) None	As contained in the WTO Reference Paper on Telecommunication Services
a. Voice telephone services	2) None	2) None	
b. Packet-switched data transmission services	3) A license for facilities-based public telecommunications services or a registration for non-facilities based public telecommunications services shall be granted only to a juridical person organised under Korean law.	3) None	
c. Circuit-switched data transmission services	A foreign government or its representative, or a foreign person may not obtain or hold a radio station license.		
d. Telex services			
e. Telegraph services	A license for facilities-based public telecommunications services shall not be granted to or held by a juridical person organised under Korean law in which a foreign government, foreign person, or deemed foreign person ⁸ holds in the aggregate more than 49 percent of the juridical person's total voting shares.		
f. Facsimile services			
g. Private leased circuit services	A foreign government, a foreign person, or a deemed foreign person may not in the aggregate hold more than 49 percent of the total voting shares of a facilities-based supplier ⁹ of public telecommunications services. A foreign government, a foreign person, or a deemed foreign person may not be the largest shareholder of KT Corporation (KT).		

⁸ "Deemed foreign person" means a juridical person organised under Korean law in which a foreign government or a foreign person (including a "specially related person" under relevant Korean law) holds 80 percent (15 percent, if the largest shareholder is a foreign government or a foreign person) or more of that juridical person's total voting shares.

⁹ "Facilities-based supplier" is a supplier that owns transmission facilities. "Non-facilities-based supplier" is a supplier that does not own transmission facilities (but may own a switch, router or multiplexer) and supplies its public telecommunications services through transmission facilities of a licensed facilities-based supplier. "Transmission facilities" means wireline or wireless transmission facilities (including circuit facilities) that connect transmitting points with receiving points.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
o. Other Digital cellular services Paging services PCS (personal communications services) TRS (trunked radio system) services Mobile data services IAS (internet access services) VoIP (Voice over Internet protocol) services connected to the PSTN (public switched telephone network)	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Value-added Services ¹⁰ : h. Electronic mail i. Voice mail j. On-line information and data base retrieval k. Electronic data interchange l. Enhanced/value-added facsimile services including store and forward, store and retrieve m. Code and protocol conversion n. On-line information and/or data processing (including transaction processing) o. Other On-line data base and remote computing services ¹¹	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	Value-added service providers are allowed to supply data transmission services ¹² .

¹⁰ Value-added services mean telecommunication services, which are provided through telecommunications network facilities leased from facilities-based suppliers, and which store and forward, or process and forward, the customer's information.

¹¹ On-line data base and remote computing services do not cover telecommunication services which mediate third party communications.

¹² Telecommunication services which transmit and/or exchange the customer's data without change in the form or content (voice telephony, telex, facsimile services and simple resale of leased circuits are excluded).

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
D. <u>Audiovisual Services</u> a. Motion picture and video tape production and distribution services (CPC 96112*, 96113*) Excluding those services for cable TV broadcasting e. Record production and distribution services (Sound recording)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section. 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section. 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
3. CONSTRUCTION SERVICES (CPC 511-518)	1) Unbound* except for CPC 5111 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* except for CPC 5111 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
4. DISTRIBUTION SERVICES ¹³			
A. <u>Commission Agents' Services</u> (CPC 621, excluding 62111, 62112 and commission agents' services of future contracts)	1) Unbound for pharmaceuticals and medical goods. 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

¹³ Excluding the following services:

- (a) trade in firearms, explosives and swords;
 - (b) works of art and antiques, and
 - (c) the establishment and operation of, and distribution services at
 - (i) public wholesale markets for agricultural, fishery and livestock products, which are officially designated by the local authorities as public wholesale markets.
 - (ii) joint wholesale markets which are established and operated by producers' organizations or public interest corporations prescribed in *the Presidential Decree of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products*; and
 - (iii) livestock markets which are established and operated by the Livestock Cooperatives under *the Agriculture and Cooperative Act*.
- For greater certainty, Korea reserves the right to adopt or maintain any measure with respect to the administration of the WTO Tariff-Rate-Quota.

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. Wholesale Trade Services (CPC 622*, excluding grain in 62211, 62223, red ginseng and farinaceous products in 62229 and fertilizers in 62276),	1) Unbound for pharmaceuticals, medical goods, functional foods, and items subject to limitations under Mode 3. 2) None 3) Following services are subject to the economic needs test: - wholesale trade of used cars - wholesale trade of gaseous fuels and related products Main criteria: Formation of reasonable prices, the number of and impact on existing suppliers for balance of demand and supply, healthy development of the industry, and establishment of orderly trade. In addition, population density, traffic, environmental pollution, local conditions, and other local characteristics as well as public interests. A person that supplies alcoholic beverages wholesale distribution services must obtain authorization from the head of the relevant tax office, which is subject to an economic needs test. The Minister for Health and Welfare controls the supply and demand of the wholesale distribution of imported designated han-yak-jae (Asian medicinal herbs). 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Retailing Services</u> (CPC 61112, 61130, 61210, 613* (excluding retail trade and gas station business related to LPG), 631* (excluding 63108, rice, ginseng and red ginseng), 632)	1) Unbound for pharmaceuticals, medical goods, functional foods, and items subject to limitations under Mode 3. 2) None 3) Retailing services for used cars and gaseous fuels are subject to the economic needs test. Main criteria: The number of and impact on existing domestic suppliers, the population density, traffic, environmental pollution, local conditions, and other local characteristics as well as public interests. The sale of alcoholic beverages by telephone or in electronic commerce is prohibited. Only a natural person that is a licensed an-gyung-sa (optician or optometrist) that has established an office in Korea may engage in optician or optometry services. Only a licensed an-gyung-sa (optician or optometrist) may establish an office for operations, and may not establish more than one office per an an-gyung-sa. A person that supplies pharmaceutical product retail distribution services (including distribution of han-yak-jae (Asian medicinal herbs)) may not establish more than one pharmacy nor establish in the form of a corporation.	1) None 2) None 3) None	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	
D. <u>Franchising</u> (CPC 8929*) ¹⁴	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
✱ Notes The following explanation pertains to Retailing Services. Supply of pharmaceuticals directly to the general public (Pharmacies) should be only allowed by certified pharmacists in order to protect public health.			

¹⁴ Franchising services are limited to those items which are allowed under Wholesale Trade Services and Retailing Services in this schedule.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
5. EDUCATIONAL SERVICES¹⁵ C. <u>Higher Education Services</u>¹⁶ (CPC 923*) Higher education services provided by private higher educational institutions, which have obtained recognition from the government or public accreditation bodies, for the purpose of conferring degrees. Excluding (i) Health- and medicine-related higher education; (ii) higher education for prospective pre-primary, primary and secondary teachers; (iii) professional graduate education in law; and (iv) universities via broadcasting and communications, and cyber universities	1) Unbound 2) Credits acquired from other higher educational institutions, local or foreign, are acknowledged to the extent that such acknowledged credits do not exceed half of the total credits required for graduation. 3) - Only those school juridical persons¹⁷, established under the approval by the Minister of Education may establish educational institutions under the Minister's authorization (Intra-company Universities do not need to establish a school juridical person). - Only the types of educational institutions listed in Attachment 1 are allowed. - Any new establishment, extension, or transfer of a higher education institution other than Technology Universities and Intra company Universities may be restricted in the Seoul Metropolitan Area¹⁸	1) Unbound 2) None 3) Unbound	

¹⁵ Specific commitments on market access and national treatment through any mode of supply shall not be construed to apply to the recognition of university degrees for the purpose of admission, registration and qualification for professional practice in Korea.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Operation of joint educational programs with junior colleges, universities and industrial universities is limited to foreign universities, which obtained accreditation by foreign public accreditation bodies or which acquired recognition or recommendation by their governments, in fields that the president of the university (junior college) recognizes as necessary. - Credits acquired from other higher educational institutions, local or foreign, are acknowledged to the extent that such acknowledged credits do not exceed half of the total credits required for graduation. - The Minister of Education may restrict the total number of students per year in the fields of medicine, pharmacology, veterinary medicine, traditional Asian medicine, medical technicians, and higher education for pre-primary, primary, and secondary teachers, and the total number of higher education institutions located in the Seoul Metropolitan Area¹⁹. 4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	

¹⁶ Types of higher education institutions are listed in Attachment 1 concerning Higher Education Services.

¹⁷ “School juridical person” means a non-profit juridical person established solely for the purpose of establishing regular educational institutions in accordance with pertinent education -related laws.

¹⁸ “Seoul Metropolitan Area” means the Seoul Metropolitan City, the Incheon Metropolitan City, and the Gyeonggi Province.

¹⁹ “Seoul Metropolitan Area” means the Seoul Metropolitan City, the Incheon Metropolitan City, and the Gyeonggi Province.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Attachment 1 (Higher Education Services) The types of higher educational institutions are as follows: 1. Junior Colleges (excluding Polytechnic Colleges): higher educational institutions which offer a 2-3 year curriculum and confer an associate degree, in accordance with the <i>Higher Education Act</i>. 2. Universities: higher educational institutions which offer a 4-6 year curriculum and confer a bachelor's degree, in accordance with the <i>Higher Education Act</i>. 3. Industrial Universities: higher educational institutions which offer education on the knowledge and skills needed for an industrial society, and confer a bachelor's degree, in accordance with the <i>Higher Education Act</i>. 4. Technical Colleges: higher educational institutions which offer a 2 year curriculum to train expert manpower, and confer associate degrees and bachelor's degrees, in accordance with the <i>Higher Education Act</i>. 5. Intra-company Universities: higher educational institutions which are established and operated by employers to education employees, and confer degrees or diplomas equivalent to those of Junior Colleges or Universities, in accordance with the <i>Lifelong Education Act</i>.			

Modes of supply:

1) Cross-border supply

2) Consumption abroad

3) Commercial presence

4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
D. <u>Adult Education Services</u>²⁰ (CPC 924*). Adult education services provided by private adult educational institutions. Excluding: (i) education services which recognize education qualifications, or confer, or are linked with, local or foreign credits, degrees or diplomas; (ii) vocational training services financially supported by the government in accordance with the <i>Employment Insurance Act, the Act on the Development of Workplace Skills of Workers and the Seafarers Act</i>; (iii) educational services via broadcasting; and (iv) vocational training services provided by institutions under authority delegated by government.	1) Unbound for health- and medicine related adult education services. 2) None 3) - Only the types of educational institutions listed in Attachment 2 are allowed. - The Superintendent of a Provincial Office for Education (<i>kyo-yook-gam</i>) may regulate tuition rates for private tutoring institutions (<i>hag-won</i>). - The establishment and/or enlargement of educational institutions in the Metropolitan area of Seoul and its vicinities may be restricted. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound for health and medicine related adult education services 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section. A foreign national hired by <i>hag-won</i> for adults as a lecturer must possess at least a bachelor's degree or the equivalent, and reside in Korea.	

²⁰ Types of education institutions are listed in Attachment 2 concerning Adult Education Services.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Attachment 2 (Adult Education Services) The types of adult education institutions are as followings: 1. <i>Hag-won</i> (private teaching institutions for adults) are facilities that provide tutoring services on the following subjects related to lifelong or vocational education to 10 people or more for a period of 30 days or longer in accordance with the <i>Establishment and Operation of Private Teaching Institute and Extracurricular Lessons Act</i>. Excluded are schools, libraries, museums, workplace facilities that provide education services to the employees, lifelong education facilities in accordance with the <i>Lifelong Education Act</i>, and driving schools. (a) Industrial infrastructure technology: machinery, automobile, metal, chemicals and ceramics, electrics, telecommunications, electronics, shipbuilding, aviation, civil engineering, textile and apparels, mining resources, land development, agriculture and forestry, oceanic industry, energy, crafts, environment, transportation, and safety management (b) Applied industrial technology: design, hair and cosmetology management, food and beverage, packaging, printing, photograph, and piano tuning (c) Computer: computers, games, robots, data processing, telecommunications equipment, the Internet, and software (d) Nursing assistant: nursing assistant (e) Culture and tourism: publishing, imaging and recording, film, broadcasting, character products, and tourism (f) Management and office work: finance, insurance, distribution, real estate, secretary service, accounting, pen writing, bookkeeping, abacus, mental arithmetic, and speed-reading (g) International: foreign languages for adults, interpretation, and translation. (h) Humanities: college transfer, public management, business management, accounting, statistics, and public service examination (i) Arts: traditional Korean music, traditional dance, calligraphy, flower arrangement, floral art and crafts, cartoon, theatre arts, modelling, conversation skills, applied music, baduk, and speech 2. Life-long education facilities are those facilities which have been approved by, registered with or notified to the Ministry of Education in accordance with the <i>Lifelong Education Act</i>. Lifelong education facilities refer to lifelong education facilities annexed to workplaces, NGOs, schools, media organizations, and lifelong education facilities related to the development of knowledge and human resources, all of which are established for adults.			

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
6. ENVIRONMENTAL SERVICES			
A. <u>Sewage Services</u>			
Refuse water disposal services (CPC 9401*) ²¹	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
B. <u>Refuse Disposal Services</u>			
Industrial refuse disposal services (CPC 9402*) ²²	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

²¹ 9401: Only collection and treatment services of industrial waste water under CPC 9401.

²² 9402: Only collection, transport and disposal services of industrial refuse under CPC 9402.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
D. <u>Other</u>			
Cleaning services of exhaust gases and noise abatement services (CPC 9404, 9405)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Environment testing and assessment services (CPC 9406*, 9409*) ²³	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

²³ 9406*, 9409*: Only environmental impact assessment services under CPC 9406 and 9409.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Explanation on Financial Services</u> 1. Financial sectors are basically re-classified according to the category of the Financial Services Chapter. Therefore the order of sub-sectors is different from that of the commitment in GATS/SC/48/Suppl.3/Rev.1. 2. Specific statements in the sub-sectors apply only to existing domestic financial services.			

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
7. FINANCIAL SERVICES			
<i>Headnotes: All financial services are subject to the following provisions.</i>			
1. Juridical persons supplying financial services and constituted under Korean law are subject to non-discriminatory limitations on juridical form.²⁴ 2. The commitments of Korea are subject to the limitation that in order to establish or acquire a controlling interest in a financial service supplier in Korea, a foreign investor must own or control a financial service supplier that engages in supplying financial services within the same financial services sub-sector in its home country. 3. For greater certainty, nothing in this Agreement limits Korea's ability to require the chief executive of a financial service supplier established under its laws to reside within its territory. 4. For prudential reasons within the context of the Financial Services Chapter, Korea shall not be prevented from taking measures including requirements related to parent companies, the minimum capital requirement, minimum operating funds requirement, business worker's license and approval for business activities. 5. A financial institution must be established for only one business defined in related law and thus cannot engage in other business activities regulated by other relevant laws. 6. Even if Korea permits persons located in its territory, and its national wherever located, to purchase financial services from cross-border financial service suppliers of China located in the territory of China, such permission will not mean that Korea is required to permit such suppliers to do business or engage in solicitation in the territory of Korea. Korea may define "doing business" and "solicitation" for purposes of this obligation, provided that those definitions are not inconsistent with the commitments regarding cross-border supply of financial services undertaken by Korea. 7. Without prejudice to other means of prudential regulation on cross-border supply of financial services, Korea may require the registration or authorization of cross-border financial service suppliers of China and of financial instruments. Korea may require a cross-border financial service supplier of China to provide information, solely for informational or statistical purposes, on the financial services it has supplied within the territory of Korea. Korea will protect such business information that is confidential from any disclosure that would prejudice the competitive position of the supplier. 8. Cross-border supply of financial services and supply through consumer movement may not be settled in Korean currency. After the establishment of a commercial presence, financial institutions may handle only transactions, denominated and settled in Korean currency, with residents. Approval is required for transactions denominated or settled in foreign currency or transactions with non-residents. 9. Assets owned by branches must be kept within the territory of Korea. Capital of the head office is not recognized as the basis for determining the extent of funding and lending activities of domestic branches. 10. Demand deposit interest rates are regulated. 11. The management and operation of assets of a financial institution are restricted. 12. A financial institution may not own non-business real estate. 13. Introduction of new financial products including derivatives is subject to approval.			

²⁴ This headnotes is not itself to affect, or otherwise limit, a choice by a financial service supplier of the other Party between branches or subsidiaries.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
A. <u>Insurance and Insurance-related Services</u>			
(i) Direct Insurance	1) Unbound 2) Unbound	1) Unbound 2) Unbound	
a) Life Insurance Services Including accident and health insurance services	3) Commercial presence is permitted only to foreign life insurance companies. 4) Unbound except as indicated in the Horizontal Commitments section.	3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
b) Non-life Insurance services	1) Unbound except for marine export/import cargo and aviation insurance. 2) Unbound 3) Commercial presence is permitted only to foreign non-life insurance companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(ii) Reinsurance and retrocession services	1) None 2) None 3) Commercial presence is permitted only to foreign reinsurance and retrocession insurance companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
(iii) Insurance broking and agency services			
a) Brokerage	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign insurance brokerage companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
b) Agency	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(iv) Services auxiliary to insurance: applicable only to sub-sector a) and b) a) Claim settlement and adjustment services ²⁵ b) Actuarial services	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign claim settlement and adjustment companies and actuarial companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
B. <u>Banking and Other Financial Services</u> : applicable only to the sub-sectors listed below (i) Deposit ²⁶ (ii) Lending ²⁷ (iii) Financial leasing (iv) Payment and Money transmission	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign financial institutions (except for financial leasing) which deal with the same services in their country of origin. A person may own up to 10 per cent of the stocks of a bank (up to 4% in case of non-financial service business entity) and 15 per cent of the stocks of a provincial bank without the special authorization of the relevant authorities ²⁸ . A person can own up to 100 per cent of a bank and a provincial bank with the special authorization of the relevant authorities. Foreign exchange position is regulated. The oversold position of spot foreign exchange is US\$ 5 million, or 3 per cent of capital (whichever is greatest)	1) Unbound 2) Unbound 3) None	

²⁵ Activities which assess and adjust the loss and compensation.

²⁶ Activities in which banks obtain funds from the public by receiving deposits or issuing transferable instruments or other securities.

²⁷ Activities in which banks provide funds to the public in order to receive interest via loans or bill discounts.

²⁸ The definitions of "a person" and "non-financial service business entity" are in accordance with the relevant provision of *the Presidential Decree of the Bank Act*.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(v) Guarantees and commitments (vi) Foreign exchange services ²⁹ (vii) Settlement and clearing ³⁰	Deposit for specific purpose, such as housing subscription deposit, may be handled only by designated institutions. Securities savings and credit granting are subject to restriction of ceiling and operation. Lending to credit card members through such means as card loans is subject to limitation. For credit card services, maximum limits are applied to various rates such as fees and interest rates. The maturity of CDs shall be more than 30 days. Underlying transaction and documentation requirements apply to foreign exchange transactions. Underlying documentation requirements are exempt in the case of forward transactions. Mandatory lending to small-and-medium sized companies is required. Foreign currency loans are restricted with respect to ceiling and uses. 4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	

²⁹ Activities which issue, remit and collect foreign exchange.

³⁰ Activities which settle and clear notes, bills and cheques by banks according to the Article of KFTCI (Korea Financial Telecommunications and Clearings Institute).

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(viii) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise : applicable only to the instruments as listed below a) Money market instruments (including cheques, bills, certificates of deposit) b) Foreign exchange c) Financial Derivative products (including futures and options) d) Exchange rate and interest Rate instruments (including swaps and forward rate agreements) e) Transferable securities f) Other negotiable instruments and financial assets (including bullion)	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign financial institutions which deal with the same instruments in their country of origin. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(ix) Participation in issues of all kinds of securities a) Security issue b) Underwriting c) Placement d) Other services related to securities	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign financial institutions which deal with the issuing of all kinds of securities. Representative offices may be established by pre-notification. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
(x) Asset management :applicable only to services listed below a) Cash or portfolio management b) All forms of collective investment management c) Custody d) Trust ³¹ (including investment discretionary advisory service)	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign asset management companies. Representative offices may be established by Pre-notification. To handle a trust business, approval (two types) is required from the Ministry of Financial Services Commission both for engaging in businesses other than the main banking businesses and for engaging in the trust business. Unbound for real estate trust businesses. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

³¹ Activities where a trustee is commissioned to manage the financial assets for beneficiary's benefit.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(xi) Credit information services	1) Unbound 2) Unbound 3) Unbound except for equity participation of less than 50 percent in existing financial information companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
(xii) Advisory, intermediation and other auxiliary financial services : applicable only to services listed below a) Investment advice b) Credit rating and analysis	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign investment advisory companies. Representative offices may be established by pre-notification 4) Unbound except as indicated in the Horizontal Commitments section. 1) Unbound 2) Unbound 3) Credit rating companies should be designated by the relevant authorities to assess the credit rating of companies which may wish to issue non-guaranteed corporate bonds and commercial papers. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section. 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
9. TOURISM AND TRAVEL RELATED SERVICES A. <u>Hotels and Restaurants</u> (CPC 641, 642, 6431*) Excluding rail and air transport related facilities in CPC 6431 B. <u>Travel Agencies and Tour Operators Services</u> Travel agency services and tour operator services (CPC 7471) C. <u>Tourist Guides Services</u> (CPC 7472)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section. 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section. 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section. 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section. 1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES A. <u>Entertainment Services</u> (CPC 96191, 96192) Entertainment services provided by individual artists or groups such as musical, theatre, live band, opera, etc.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
11. TRANSPORT SERVICES			
A. <u>Maritime Transport Services</u> ³²			
International transport (CPC 7211*, 7212*)	1) a) Liner shipping: None b) Bulk, tramp, and other international shipping: None	1) None	The following services at the port are made publicly available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions. 1. Pilotage 2. Towing and tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port Captain's services 6. Navigation aids 7. Shore-based operational services essential to ship operations, including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services
Excluding cabotage	2) None	2) None	
	3) a) Establishment of a registered company for the purpose of operating a fleet under the national flag of Korea: i) International maritime passenger transport: Unbound ii) International maritime cargo transport: Only Chusik Hoesa(stock companies) as stipulated under the Commercial Act are permitted. b) Other forms of commercial presence: None	3) a) None	
	4) a) Ship's crew: Unbound b) Shore personnel: Unbound except as indicated in the Horizontal Commitments section.	b) None 4) a) Unbound b) Unbound except as indicated in the Horizontal Commitments section.	

³² Refer to ATTACHMENT CONCERNING MARITIME TRANSPORT SERVICES.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Notes Without prejudice to the scope of activities which may be considered as cabotage under the relevant national legislation, this schedule does not include national cabotage services, which are assumed to cover transportation of passengers or goods between a port or point located in the entire Korean peninsula and(or) any adjacent Korean islands and another port or point located in the entire Korean peninsula and(or) any adjacent Korean islands including on its continental shelf as provided in the UN Convention on the Law of the Sea, and traffic originating and terminating in the same port or point located within the territory of the entire Korean peninsula and any adjacent Korean islands.			

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<u>Maritime Auxiliary Services</u> Maritime cargo handling services (CPC 741*)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Storage and warehouse services in ports (CPC 742*)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Customs Clearance service	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Maritime agency services (CPC 748*) ³³	1) None 2) None 3) All the companies as stipulated under the Commercial Act are permitted. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Container station services (CPC 741*) ³⁴	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

³³ Agency services on behalf of maritime passenger transport businesses or maritime cargo transport businesses (including foreign transport businesses) under CPC 748.

³⁴ Container station services provided in port areas under CPC 741.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Maritime freight forwarding services (CPC 748*) ³⁵	1) None 2) None 3) Only Chusik Hoesa(stock companies) as stipulated under the Commercial Act are permitted. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Shipping brokerage services (CPC 748*, 749*) ³⁶	1) None 2) None 3) Only Chusik Hoesa(stock companies) as stipulated under the Commercial Act are permitted. 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Maintenance and repair of vessels ³⁷	1) Unbound* 2) None 3) Only Chusik Hoesa(stock companies) as stipulated under the Commercial Act are permitted. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

³⁵ Freight forwarding services by vessels in the name of the forwarder (including any foreign forwarders under contract) under CPC 748.

³⁶ 748*, 749*: Brokerage services for maritime cargo transport or for the chartering, leasing, purchasing or selling of vessels under CPC 748 and 749.

³⁷ Services, such as repair and management of vessels, management of crew, and marine insurance, provided on behalf of a maritime passenger transport business, maritime cargo transport business or vessel leasing business.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Rental of vessels with crew (CPC 7213)	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Pushing and towing services (CPC 7214)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Tally, measuring and survey services (CPC 745*)	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Air Transport Services</u>			
Computer reservation system (CRS) services ³⁸	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Selling and marketing of air transport services ³⁹	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
Maintenance and repair of aircraft	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
E. <u>Rail Transport Services</u>			
a. Passenger transportation (CPC 7111)	1) Unbound* 2) None 3) Unbound for existing operations. Establishment of new operations are subject to the economic needs test. Main criteria: Establishment of order and discipline in the railroad industry.	1) Unbound* 2) None 3) Unbound	
b. Freight transportation (CPC 7112)	4) Unbound except as indicated in the Horizontal Commitments section.	4) Unbound except as indicated in the Horizontal Commitments section.	

³⁸ As defined in Article 8.1.(d) of the Chapter on Trade in Services

³⁹ Services defined in subparagraph 39 (general air transport agency services) of Article 2 of the Aviation Act. "General air transport agency services" means services which make contracts for international transport of passengers or cargoes by aircraft (excluding the service of acting for other persons in the application procedure for visa or passport) on behalf of air transport services firms for compensation.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
F. <u>Road Transport Services</u> Transportation of containerized freight excluding cabotage (CPC 71233*)	1) Unbound 2) None 3) Licenses are granted only to international shipping companies. 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None 3) Cargoes are confined to containerized cargoes to be exported or imported. 4) Unbound except as indicated in the Horizontal Commitments section.	
G. <u>Pipeline Transport</u> (CPC 7131*) Only the transportation of oil products, excluding the transportation of LPG	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	
H. <u>Services Auxiliary to all Modes of Transport</u> b. Storage and warehouse services other than those in ports (CPC 742*) Excluding services for agricultural, fishery and livestock products.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound* 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. <u>Other Transport Services</u> COMBINED TRANSPORT SERVICES Freight forwarding for rail transport⁴⁰	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments section.	

⁴⁰ “Freight Forwarding for Rail Transport” means such auxiliary services to be carried out at the ends of railway transport; these services include collecting containerized cargoes, contracting with **Korea Railroad Corporation** for transport of the freight on trains, loading/unloading and delivery of freight.

ATTACHMENT CONCERNING MARITIME TRANSPORT SERVICES

1. International Shipping, 3.b):

"Other forms of commercial presence for the supply of international maritime transport services" means the ability for international maritime transport service suppliers of the other Party to establish branches and to undertake activities concerned for the supply to their customers of maritime transport services.

2. Maritime Cargo Handling Services:

Activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organized independently of the stevedoring or terminal companies. The activities covered include the organization and supervision of:

- the loading/discharging of cargo to/from a ship;
- the lashing/unlashing of cargo;
- the reception/delivery and safekeeping of cargoes before shipment or after discharge.

3. Customs Clearance Services:

Activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service supplier or a usual complement of its main activity.

4. Container Station and Depot Services:

Activities consisting in storing containers in port areas with a view to their stuffing/stripping, repairing and making them available for shipments.

5. Maritime Agency Services:

Activities consisting in representing, within a given geographical area, as an agent, the business interests of one or more shipping lines or shipping companies, for the following purposes:

- Marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies; acquisition and resale of the necessary related services, preparation of documentation, and provision of business information;
- Acting on behalf of the companies organizing the call of the ship or taking over cargoes when required.

6. Maritime Freight Forwarding Services:

Activities consisting of organizing and monitoring shipment operations on behalf of shippers, through the acquisition of maritime transport and related services, preparation of documentation and provision of business information.

7. Tally, Measuring and Survey Services:

- Tally services: Activities consisting of calculating the number of cargoes or verifying the delivery and the receipt when loading and unloading.
- Measuring services: Activities consisting of calculating or verifying the volume or weight of cargoes when loading and unloading.
- Survey services: Activities consisting of the verification, inspection and survey related with shipped cargoes and vessels (including barges).