

PREAMBLE

The Government of the People's Republic of China ("China") and the Government of the Republic of Korea ("Korea"), hereinafter referred to as "the Parties";

RECOGNISING their longstanding friendship and strong economic and trade relationship and desiring to strengthen their strategic cooperative partnership;

CONVINCED that a free trade area will create an expanded and stable market for goods and services and a stable and predictable environment for investment, thus enhancing the competitiveness of their firms in global markets;

SHARING the belief that a free trade agreement shall produce mutual benefits to each Party and contribute to the expansion and development of international trade;

ESTABLISHING clear and mutually advantageous rules governing their trade;

DESIRING to raise living standards, promote economic growth and stability, create new employment opportunities and improve the general welfare of the Parties by expanding trade and investment between the Parties;

MINDFUL that economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development and that closer economic partnership can play an important role in promoting sustainable development; and

SEEKING to facilitate and enhance regional economic cooperation and integration;

HAVE AGREED as follows:

CHAPTER 1 INITIAL PROVISIONS AND DEFINITIONS

Section A: Initial Provisions

Article 1.1: Establishment of a Free Trade Area

Consistent with Article XXIV of GATT 1994 and Article V of GATS, the Parties hereby establish a free trade area.