

FREE TRADE AGREEMENT BETWEEN THE REPUBLIC OF KOREA AND SINGAPORE

PREAMBLE

The Government of the Republic of Korea (“Korea”) and the Government of the Republic of Singapore (“Singapore”), hereinafter referred to as “the Parties”;

Conscious of their bonds of longstanding friendship and strong trade and investment relationship;

Recalling the establishment of a Joint Study Group to examine the benefits of a Free Trade Agreement between the Government of the Republic of Korea and the Government of the Republic of Singapore (“Korea-Singapore FTA”) in October 2002;

Desiring to adopt the recommendations in the Joint Study Group Report that the Parties proceed to negotiate the Korea-Singapore FTA, and that the Joint Study Group Report should serve as a framework for negotiations on the FTA;

Reaffirming their commitment to securing trade liberalisation and an outward-looking approach to trade and investment;

Convinced that their economic integration would generate larger economies of scale, provide greater work opportunities, and enhance transparency for economic activities for their businesses as well as for other businesses in Asia;

Sharing the belief that a free trade agreement between the Parties would improve their attractiveness to capital and human resources, and create larger and new markets, to expand trade and investment not only between them but also in the region;

Affirming their commitment to fostering the development of open market economy in Asia, and to encouraging economic integration of Asian economies in order to further the liberalisation of trade and investment in the region;

Reaffirming that this Agreement shall contribute to the expansion and development of world trade under the multilateral trading system embodied in the Marrakesh Agreement Establishing the World Trade Organization (“the WTO Agreement”);

Building on their respective rights and obligations under the WTO Agreement and other multilateral, regional and bilateral instruments of co-operation; and

Resolved to promote reciprocal trade and investment, and to avoid circumvention of benefits of regional trade integration, through the establishment of clear and mutually advantageous trade rules, and industry as well as regulatory co-operation;

Have agreed as follows:

CHAPTER 1: GENERAL PROVISIONS

Article 1.1

Establishment Of Free Trade Area

The Parties to this Agreement, consistent with Article XXIV of GATT 1994 and Article V of GATS, hereby establish a free trade area in accordance with the provisions of this Agreement.

Article 1.2

Objectives

The objectives of this Agreement, as elaborated more specifically through its principles and rules, including national treatment, most-favoured-nation treatment and transparency, are to:

- (a) liberalise and facilitate trade in goods and services and expand investment between the Parties;
- (b) establish a co-operative framework for strengthening the economic relations between the Parties;
- (c) establish a framework conducive for a more favourable environment for their businesses and promote conditions of fair competition in the free trade area;
- (d) establish a framework of transparent rules to govern trade and investment between the Parties;
- (e) create effective procedures for the implementation and application of this Agreement; and
- (f) establish a framework for further regional and multilateral co-operation to expand and enhance the benefits of this Agreement throughout Asia, and thereby, to encourage economic integration of Asian economies.

Article 1.3

Relation To Other Agreements

1. The Parties reaffirm their existing rights and obligations with respect to each other under existing bilateral and multilateral agreements to which both Parties are party, including the WTO Agreement.
2. In the event of any inconsistency between this Agreement and other agreements to which both Parties are party, the Parties shall immediately consult with each other with a view to finding a mutually satisfactory solution, taking into consideration general principles of international law.
3. Notwithstanding paragraph 2, if this Agreement explicitly contains provisions regarding such inconsistency as indicated in paragraph 2, those provisions shall apply.

Article 1.4

Reference To Other Agreements

1. For the purposes of this Agreement, any reference to articles in GATT 1994 or GATS includes the interpretative notes, where applicable.

2. Any reference in this Agreement to any other treaty or international agreement shall be made in the same terms to its successor treaty or international agreement to which both Parties are party.

CHAPTER 2: GENERAL DEFINITIONS

For the purposes of this Agreement, unless otherwise specified:

Agreement means this free trade agreement between the Parties;

APEC means the Asia-Pacific Economic Co-operation;

citizen means:

- (a) with respect to Korea, a Korean as defined in Article 2 of the Constitution of the Republic of Korea and its domestic laws; and
- (b) with respect to Singapore, any person who is a citizen within the meaning of its Constitution and domestic laws;

Custom Valuation Agreement means the Agreement on Implementation of Article VII of the General Agreement on Tariff and Trade 1994, which is part of the WTO Agreement;

days means calendar days including weekends and holidays;

enterprise means any corporation, company, association, partnership, trust, joint venture, sole-proprietorship or other legally recognised entity that is duly incorporated, constituted, set up, or otherwise duly organised under the law of a Party, including branches, regardless of whether or not the entity is organised for pecuniary gain, privately or otherwise owned, or organised with limited or unlimited liability;

existing means in effect at the time of entry into force of this Agreement;

GATS means the General Agreement on Trade in Services, which is a part of the WTO Agreement;

GATT 1994 means the General Agreement on Tariffs and Trade 1994, which is a part of the WTO Agreement;

Generally Accepted Accounting Principles means the recognised consensus or substantial authoritative support in the territory of a Party with respect to the recording of revenues, expenses, costs, assets and liabilities, the disclosure of information and the preparation of financial statements. These standards may encompass broad guidelines of general application as well as detailed standards, practices and procedures;

Harmonized System (HS) means the Harmonized Commodity Description and Coding System, including its General Rules of Interpretation, Section Notes and Chapter Notes;

measure means any law, regulation, procedure or administrative action, requirement or practice;

national means a natural person who is a citizen or permanent resident of a Party;