(c) only a sector other than the financial services sector, the complaining Party may not suspend benefits in the financial services sector.

*Article 12.13*

Investment Disputes In Financial Services

1. Where an investor of a Party submits a claim under Section C in Chapter 10 (Investment) against the other Party and the respondent invokes Article 10.12 or 12.6, on request of the respondent, the tribunal shall refer the matter in writing to the Financial Services Committee for a decision. The tribunal may not proceed pending receipt of a decision or report under this Article.

2. In a referral pursuant to paragraph 1, the Financial Services Committee shall decide the issue of whether and to what extent Article 10.12 or 12.6 is a valid defence to the claim of the investor. The Financial Services Committee shall transmit a copy of its decision to the tribunal. The decision shall be binding on the tribunal.

3. Where the Financial Services Committee has not decided the issue within sixty (60) days of the receipt of the referral under paragraph 1, the respondent or the Party of the claimant may request the establishment of a panel under relevant Articles in Chapter 20 (Dispute Settlement). The panel shall be constituted in accordance with Article 12.12. The panel shall transmit its final report to the Financial Services Committee and to the tribunal. The report shall be binding on the tribunal.

4. Where no request for the establishment of a panel pursuant to paragraph 3 has been made within ten (10) days of the expiration of the 60-day period referred to in paragraph 3, a tribunal may proceed to decide the matter.

5. For the purposes of this Article, tribunal means a tribunal established pursuant to Article 10.19.

*Article 12.14*

Modification Of Schedules

The Parties shall, on the request in writing by either Party, hold consultations to consider any modification or withdrawal of a commitment in the Schedule of specific commitments on trade in financial services. Such consultations shall be held within three months after the requesting Party makes such a request. In such consultations, the Parties shall aim to ensure that a general level of mutually advantageous commitments not less favourable to trade than that provided for in the Schedule of specific commitments in Annex 12A prior to such consultations is maintained.

*Article 12.15*

Definitions

For the purposes of this Chapter:

**trade in financial services** means the supply of a financial service:

(a) from the territory of a Party into the territory of the other Party;

(b) in the territory of a Party by a person of that Party to the financial service consumer of the other Party;

(c) by a financial service supplier of a Party, through commercial presence in the territory of the other Party;

(d) by a financial service supplier of a Party, through presence of natural persons of that Party in the territory of the other Party;

**commercial presence** means any type of business or professional establishment, including through:

(a) the constitution, acquisition or maintenance of a juridical person; or

(b) the creation or maintenance of a branch or a representative office, within the territory of a Party for the purpose of supplying a service;

**financial institution** means any financial intermediary or other institution, that is authorised to do business and regulated or supervised as a financial institution under the law of the Party in whose territory it is located;

**financial institution of the other Party** means a financial institution, including a branch, located in the territory of a Party that is controlled by persons of the other Party;

**financial service** means a service of a financial nature, including insurance, and a service incidental or auxiliary to a service of a financial nature. Financial services shall include the activities as stated in Annex 12B;

**financial service consumer** means any person that receives or uses a financial service;

**financial service supplier of a Party** means any natural or juridical person authorised by the law of a Party that is engaged in the business of supplying financial services through the trade in financial services;

**investment** means “investment” as defined in Chapter 10 (Investment), except that, with respect to “loans” and “debt instruments” referred to in that Chapter:

(a) a loan to or debt instrument issued by a financial institution is an investment only where it is treated as regulatory capital by the Party in whose territory the institution is located; and

(b) a loan granted by or debt instrument owned by a financial institution, other than a loan to or debt instrument of a financial institution referred to in subparagraph (a), is not an investment;

**investor of a Party** means a Party or state enterprise thereof, or a person of that Party, that attempts to make, is making, or has made an investment in the territory of the other Party; provided, however, that a natural person who is a dual national shall be deemed to be exclusively a national of the State of his/her dominant and effective nationality;

**juridical person** means any legal entity duly constituted or otherwise organised under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association, or a branch of a financial institution constituted or otherwise organised under the law of a non-Party

that is registered or set up in the territory of a Party and carrying out business activities there;

**juridical person of the other Party** means a juridical person which is either:

(a) constituted or otherwise organised under the law of the other Party and, for greater certainty, includes a branch of a financial institution of a non-Party; and is engaged in substantive business operations in the territory of the other Party; or

(b) in the case of the supply of a service through commercial presence, owned or controlled by:

(i) natural persons of the other Party; or

(ii) juridical persons of the other Party identified under subparagraph (a);

**natural person of a Party** means a natural person who resides in the territory of the Party or elsewhere and who under the law of that Party:

(a) is a national of that Party; or

(b) has the right of permanent residence in that Party;

**person of a Party** means either a natural person or a juridical person;

**public entity** means:

(a) a government, a central bank or a monetary authority of a Party, or an entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, not including an entity principally engaged in supplying financial services on commercial terms; for greater certainty, a public entity shall not be considered a designated monopoly or a public enterprise for purposes of Chapter 15 (Competition); or

(b) a private entity, performing functions normally performed by a central bank or monetary authority, when exercising those functions;

**authority responsible for financial services** means:

(a) for Korea, the Ministry of Finance and Economy; and

(b) for Singapore, the Monetary Authority of Singapore.

## CHAPTER 13: TEMPORARY ENTRY OF BUSINESS PERSONS

*Article 13.1*

Definitions

For the purposes of this Chapter :

**business person** means a national of a Party who is engaged in trade in goods, the provision of services or the conduct of investment activities;

**business visitors** means nationals of either Party who are:

(a) service sellers;

(b) short-term service suppliers;

(c) investors of a Party or employees of an investor who are managers, executives or specialists as defined in relation to intra-corporate transferees in a Party's Schedule of Specific Commitments to GATS seeking temporary entry to establish an investment; or

(d) seeking temporary entry for the purposes of negotiating the sale of goods where such negotiations do not involve direct sales to the general public;

**service seller** means a national of a Party who is a sales representative of a service supplier of that Party and is seeking temporary entry to the other Party for the purpose of negotiating the sale of services for that service supplier, where such a representative will not be engaged in making direct sales to the general public or in supplying services directly;

**short-term service suppliers** means persons who:

(a) are employees of a service supplier or an enterprise of a Party not having a commercial presence or investment in the other Party, which has concluded a service contract with a service supplier or an enterprise engaged in substantive business operations in the other Party;

(b) have been employees of the service supplier or enterprise for a time period of not less than one year immediately preceding an application for admission for temporary entry;

(c) are managers, executives or specialists as defined in relation to intra-corporate transferees in a Party's Schedule of Specific Commitments to GATS;

(d) are seeking temporary entry to the other Party for the purpose of providing a service as a professional in the following service sectors on behalf of the service supplier or enterprise which employs them:

(i) professional services;

(ii) computer and related services;

(iii) telecommunication services;

(iv) financial services; or

(v) tour guides and translators; and

(e) satisfy any other requirements under the domestic laws and regulations of the other Party to provide such services in the territory of that Party; and

**temporary entry** means entry into the territory of a Party by a business person of the other Party without the intent to establish permanent residence.

*Article 13.2*

General Principles

1. Further to Article 1.2, this Chapter reflects the preferential trading relationship between the Parties, the Parties' mutual desire to facilitate temporary entry on a comparable basis and to establish transparent criteria and procedures for temporary entry, and the need to ensure border security and to protect the domestic labour force and permanent employment in their respective territories.

2. This Chapter shall not apply to measures regarding nationality or citizenship, residence on a permanent basis or employment on a permanent basis.

*Article 13.3*

General Obligations

1. Each Party shall apply its measures relating to the provisions of this Chapter in accordance with Article 13.2 and, in particular, shall apply expeditiously those measures so as to avoid unduly impairing or delaying trade in goods or services or conduct of investment activities under this Agreement.

2. The Parties shall endeavour to develop and adopt common definitions and interpretations for the implementation of this Chapter.

3. Nothing in this Chapter shall prevent a Party from applying measures to regulate the entry of business persons into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of its borders, and to ensure the orderly movement of business persons across its borders, provided that such measures are not applied in such a manner as to nullify or impair the commitments made by a Party. The mere requirement of a visa or other document authorising employment shall not be regarded as nullifying or impairing the commitments made by a Party under this Agreement.

*Article 13.4*

Grant Of Temporary Entry

1. In accordance with this Chapter and subject to the provisions of Annex 13A and Appendix 13A.1, each Party shall grant temporary entry to business persons who are otherwise qualified for entry under applicable measures relating to public health, safety and national security.

2. A Party may refuse to issue an immigration document authorising employment to a business person where the temporary entry of that person might affect adversely:

(a) the settlement of any labour dispute that is in progress at the place or intended place of employment; or

(b) the employment of any person who is involved in such dispute.

3. When a Party refuses pursuant to paragraph 2 to issue an immigration document authorising employment, it shall:

(a) take measures to allow the business person to be informed in writing of the reasons for the refusal; and

(b) promptly notify the other Party in writing of the reasons for the refusal.

4. Each Party may set any fees for processing applications for temporary entry of business persons in a manner that is consistent with its obligations which are set out in this Chapter.

*Article 13.5*

Provision Of Information

Further to Article 19.2, each Party shall:

(a) provide to the other Party such materials as will enable the other Party to become acquainted with its own measures relating to this Chapter; and

(b) no later than six (6) months after the date of entry into force of this Agreement, publish or otherwise make available in its own territory, and in the territory of the other Party, explanatory material regarding the requirements for temporary entry under this Chapter in such a manner as will enable business persons of the other Party to become acquainted with them.

*Article 13.6*

Dispute Settlement

1. A Party may not initiate proceedings under Article 20.6 regarding a refusal to grant temporary entry under this Chapter or a particular case arising under Article 13.2 unless:

(a) the matter involves a pattern of practice; and

(b) the business person has exhausted the available administrative remedies regarding the particular matter.

2. The remedies referred to in paragraph 1(b) shall be deemed to be exhausted if a final determination in the matter has not been issued by the competent authority within six (6) months of the institution of an administrative proceeding, and the failure to issue a determination is not attributable to delay caused by the business person.

*Article 13.7*

Relation To Other Chapters

Except for this Chapter, Chapters 1(General Provisions), 2(General Definitions), 20(Dispute Settlement) and 22(Administration and Final Provisions), and Articles 19.2, 19.3 and 19.4, nothing in this Agreement shall impose any obligation on a Party regarding its immigration measures.

# CHAPTER 14: ELECTRONIC COMMERCE

*Article 14.1*

Definitions

For the purposes of this Chapter:

**digital products** means computer programmes, text, video, images, sound recordings and other product that are digitally encoded, regardless of whether they are fixed on a carrier medium or transmitted electronically[14-1];

**carrier medium** means any physical object capable of storing a digital product by any method now known or later developed, and from which a digital product can be perceived, reproduced, or communicated, directly or indirectly, and includes, but is not limited to, an optical medium, a floppy disk, or a magnetic tape;

**electronic transmission** or **transmitted electronically** means the transfer of digital products using any electromagnetic or photonic means; and

**using electronic** means employing computer and digital processing.

*Article 14.2*

Scope

1. The Parties recognise the economic growth and opportunity provided by electronic commerce the importance of avoiding unnecessary barriers to electronic commerce and the applicability of WTO rules to electronic commerce.

2. This Chapter does not apply to measures affecting the electronic transmission of a series of text, video, images, sound recordings, and other products scheduled by a content provider for aural and/or visual reception, and for which the content consumer has no choice over the scheduling of the series.

*Article 14.3*

Electronic Supply Of Services

For greater certainty, the Parties affirm that measures related to the supply of a service using electronic means fall within the scope of the obligations contained in the relevant provisions of Chapters 9 (Cross-Border Trade in Services), 10 (Investment) and 12 (Financial Services), and, subject to any exceptions applicable to such obligations and except where an obligation does not apply to any such measure pursuant to Articles 9.6 and 10.9.

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[14-1] For greater clarity, digital products do not include digitised representations of financial instruments.

*Article 14.4*

Digital Products

1. Each Party shall not apply customs duties or other duties, fees, or charges on or in connection with the importation or exportation of a digital product of the other Party by electronic transmission[14-2].
2. Each Party shall determine the customs value of an imported carrier medium bearing a digital product in accordance with the Customs Valuation Agreement.

3. A Party shall not accord less favourable treatment to a digital product than it accords to other like digital products:

(a) on the basis that:

(i) the digital product receiving less favourable treatment is created, produced, published, stored, transmitted, contracted for, commissioned, or first made available on commercial terms in the territory of the other Party; or

(ii) the author, performer, producer, developer, or distributor of such digital product is a person of the other Party,

or

(b) so as otherwise to afford protection to the other like digital products that are created, produced, published, stored, transmitted, contracted for, commissioned, or first made available on commercial terms, in its territory.

4. Paragraph 3 does not apply to any non-conforming measure described in Articles 9.6 and 10.9.

## CHAPTER 15: COMPETITION

*Article 15.1*

Purpose And Definitions

1. The purpose of this Chapter is to contribute to the fulfillment of the objectives of this Agreement through the promotion of fair competition and the curtailment of anti-competitive practices.

2. For the purposes of this Chapter, anti-competitive practices means business conduct or transactions that adversely affect competition, such as:

(a) anti-competitive horizontal arrangements between competitors;

(b) misuse of market power;

(c) anti-competitive vertical arrangements between businesses; and

(d) anti-competitive mergers and acquisitions.

[14-2] Paragraph 1 does not preclude a Party from imposing internal taxes or other internal charges provided that these are imposed in a manner consistent with this Agreement.

*Article 15.2*

Promotion Of Competition

1. Each Party shall promote competition by addressing anti-competitive practices in its territory, adopting and enforcing such means or measures as it deems appropriate and effective to counter such practices.

2. Such means and measures may include the implementation of competition and regulatory arrangements.

*Article 15.3*

Application Of Competition Laws

1. The Parties shall ensure that all businesses registered or incorporated under their respective domestic laws are subject to such generic or relevant sectoral competition laws as may be in force in their respective territories.

2. Any measures taken by a Party to proscribe anti-competitive practices, and the enforcement actions taken pursuant to those measures, shall be consistent with the principles of transparency, timeliness, non-discrimination and procedural fairness.

*Article 15.4*

Competitive Neutrality

1. Each Party shall take reasonable measures to ensure that its government does not provide any competitive advantage to any government-owned businesses in their business activities simply because they are government-owned.

2. This Article applies to the business activities of government-owned businesses and not to their non-business and non-commercial activities.

*Article 15.5*

Consultations

1. At the request of a Party, the Parties shall enter into consultations regarding matters that may arise under this Chapter, including the elimination of particular anti-competitive practices that affect trade or investment between the Parties.

2. During the consultations under this Article, each Party shall endeavour to provide relevant information to the other Party in order to facilitate the discussion regarding the relevant aspects of the matter which is the subject of consultations.

3. Any information or documents exchanged between the Parties in relation to any mutual consultations under this Chapter shall be kept confidential.

*Article 15.6*

Co-Operation

1. The Parties recognise the importance of co-operation and co-ordination between their competition authorities for effective competition law enforcement in both Parties.

2. Within six (6) months from the coming into effect of a generic competition law in Singapore, the Parties shall consult with a view to making a separate arrangement between their competition authorities regarding the scope and content of co-operation and co-ordination.

*Article 15.7*

Transparency

The Parties shall publish or otherwise make publicly available their laws addressing fair competition, including information on any exemptions provided under such laws.

*Article 15.8*

Dispute Resolution

1. Nothing in this Chapter permits a Party to re-open, re-examine or to challenge under any dispute settlement procedure under this Agreement, any finding, determination or decision made by a competition authority of the other Party in enforcing the applicable competition laws and regulations.

2. Neither Party shall have recourse to any dispute settlement procedures under this Agreement for any issue arising from or relating to this Chapter.

3. In the event of any inconsistency or conflict between any provision in this Chapter and any provision contained in any other Chapter of this Agreement, the latter shall prevail to the extent of such inconsistency or conflict.

## CHAPTER 16: GOVERNMENT PROCUREMENT

*Article 16.1*

General

1. The Parties reaffirm their rights and obligations under the WTO Agreement on Government Procurement ("GPA") and their interest in further expanding bilateral trading opportunities in each Party's government procurement market.

2. The Parties recognise their shared interest in promoting international liberalisation of government procurement markets in the context of the rules-based international trading system. The Parties shall continue to co-operate in the review under paragraph 7 of Article XXIV of the GPA and on procurement matters in the APEC and other appropriate international fora.

3. Nothing in this Chapter shall be construed to derogate from either Party's rights or obligations under the GPA.

4. The Parties confirm their desire and determination to apply the APEC Non-Binding Principles on Government Procurement, as appropriate, to all their government procurement that is outside the scope of the GPA and this Chapter.

*Article 16.2*

Scope And Coverage

1. This Chapter applies to any law, regulation, procedure or practice regarding any procurement by entities covered by this Chapter, as specified in Appendix 16A.1.

2. For the purpose of this Chapter, a covered government procurement means a procurement:

(a) by an entity specified in a Party's Appendix 16A.1;

(b) by any contractual means, including through such methods as purchase or as lease, rental or hire purchase, with or without option to buy, of goods or services or any combination of goods and services specified in a Party's Appendix 16A.2; and

(c) in which the contract has a value not less than the relevant thresholds set out in Annex 16A.

3. Except as otherwise specified in the Annexes, this Chapter does not cover non-contractual agreements or any form of governmental assistance, including co-operative agreements, grants, loans, equity infusions, guarantees, fiscal incentives, and governmental provision of products and services to persons or governmental authorities not specifically covered under the schedules to this Chapter.

4. In accordance with paragraph 3 of Article III of the GPA, the provisions of this Chapter do not affect the rights and obligations provided for in Chapter 3 (National Treatment and Market Access for Goods), Chapter 9 (Cross-Border Trade in Services), Chapter 10 (Investment), Chapter 11 (Telecommunications) and Chapter 12 (Financial Services).

*Article 16.3*

Incorporation Of GPA Provisions

1. The Parties shall apply the provisions of Articles II-IV, VI-XV, XVI:1, XVIII, XIX:1-4, XX, XXIII, Agreement Notes and Appendices II-IV of the GPA to all covered government procurement. To that end, these Articles, Notes and Appendices of the GPA are incorporated into and made part of this Chapter, *mutatis mutandis*.

2. For the purposes of the incorporation of the GPA under paragraph 1, the term:

(a) **Agreement** in the GPA means "Chapter" except that **countries not Parties to this Agreement** means **non-Parties** and **Party to the Agreement** in GPA Article III:2(b) means **Party**;

(b) **Appendix I** in the GPA means **Annex 16A**;

(c) **Appendix II** in the GPA means **Annex 16B**;

(d) **Annex 1** in the GPA means **Appendix 16A.1 of Schedule 1 of Annex 16A ;**

(e) **Annex 2** in the GPA means **Appendix 16A.1 of Schedule 2 of Annex 16A ;**

(f) **Annex 3** in the GPA means **Appendix 16A.1 of Schedule 3 of Annex 16A ;**

(g) **Annex 4** in the GPA means **Appendix 16A.1 of Schedule 2 of Annex 16A ;**

(h) **Annex 5** in the GPA means **Appendix 16A.1 of Schedule 3 of Annex 16A ;**

(i) **any other Party** in Article III:1(b) of the GPA means **a non-Party**;

(j) "**from other Parties**" in Article IV:1 of the GPA means **from the other Party**;

(k) **among suppliers of other Parties or** in Article VIII of the GPA shall not be incorporated; and

(l) **products** in the GPA means **goods**.

3. Where entities specified in Annex 16A, in the context of procurement covered under this Chapter, require enterprises not included in Annex 16A to award contracts in accordance with particular requirements, Article III of the GPA shall apply *mutatis mutandis* to such requirements.

4. If the GPA is amended or is superseded by another agreement, the Parties shall amend this Chapter, as appropriate, after consultations.

*Article 16.4*

Qualification Of Suppliers

Any conditions for participation in tendering procedures shall be limited to those which are essential to ensure the firm's capability to fulfill the contract in question. Any conditions for participation required from suppliers or service providers, including financial guarantees, technical qualifications and information necessary for establishing the financial, commercial and technical capacity of suppliers and service providers, as well as the verification of qualifications, shall be no less favourable to suppliers and service providers of the other Party than to domestic suppliers and service providers. The financial, commercial and technical capacity of a supplier or service provider shall be judged on the basis both of that supplier's or service provider's global business activity as well as of its activity in the territory of the procuring entity, taking due account of the legal relationship between the supply organisations.

*Article 16.5*

Information Technology And Co-Operation

1. The Parties shall, to the extent possible, endeavour to use electronic means of communication to permit efficient dissemination of information on government procurement, particularly as regards tender opportunities offered by entities, while respecting the principles of transparency and non-discrimination.

2. When each Party publishes a notice inviting interested suppliers to submit tenders for the contract in accordance with Article IX of the GPA, which is incorporated into this Chapter by paragraph 1 of Article 16.3, it will use a single point of access specified in Annex 16B.

3. The Parties shall endeavour to provide each other with technical co-operation and assistance through the exchange of information on the development of their respective government electronic procurement systems.

4. Pursuant to Article IX:8 of the GPA, the procuring entity shall publish a summary notice in one of the official languages of the WTO, namely English, French and Spanish. For the purposes of this Chapter, the Parties shall endeavour to use English as the language for publishing the notice for each case of intended procurement. The notice shall contain at least the following information:

(a) the subject matter of the contract;

(b) the time limits set for the submission of tenders or an application to be invited to tender; and

(c) the addresses and contacts from which documents relating to the contracts may be requested.

*Article 16.6*

Publication Of Indicative Procurement Plans

Each Party shall encourage its entities to publish, as early as possible in the fiscal year, information regarding the entity's indicative procurement plans in the electronic-procurement portal.

*Article 16.7*

Modifications To Coverage

1. Where a Party proposes to make minor amendments, rectifications or other modifications of a purely formal or minor nature to its Appendices to Annex 16A, it shall notify the other Party. Such amendments, rectifications or modifications shall become effective thirty (30) days from the date of notification. The other Party shall not be entitled to compensatory adjustments.

2. Where a Party proposes to make a modification to its Appendices to Annex 16A when the business or commercial operations or functions of any of its entities or part thereof is constituted or established as an enterprise with a legal entity separate and distinct from the government of a Party, regardless of whether or not the government holds any shares or interest in such a legal entity, it shall notify the other Party. The proposed removal of such entity or modification shall become effective thirty (30) days from the date of notification. The other Party shall not be entitled to compensatory adjustments.

3. Where a Party proposes to make a modification for reasons other than those stated in paragraphs 1 and 2, it shall notify the other Party and provide appropriate compensatory adjustments in order to maintain a level of coverage comparable to that existing prior to the modification. The proposed modification shall become effective thirty (30) days from the date of notification.

*Article 16.8*

Transparency

The Parties shall apply all procurement laws, regulations, procedures and practices consistently, fairly and equitably so that their government entities provide transparency to potential suppliers.

*Article 16.9*

Contact Points

1. Each Party shall designate a contact point to facilitate communications between the Parties on any matter covered by this Chapter.

2. For the purposes of this Chapter, all communications or notifications to or by a Party shall be made through its contact point.

3. For the purposes of this Article, the contact points of the Parties are:

(a) for Korea, the Ministry of Finance and Economy, or its successor; and

(b) for Singapore, the Ministry of Finance, or its successor.

## CHAPTER 17: INTELLECTUAL PROPERTY RIGHTS

*Article 17.1*

Definition

For the purposes of this Chapter:

**intellectual property rights** refer to copyright and related rights, trademarks, geographical indications, industrial designs, patents, layout-designs (topographies) of integrated circuits and rights in undisclosed information;

**TRIPS Agreement** means the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights;

**PCT** means the Patent Cooperation Treaty administered by the World Intellectual Property Organization;

**ISA** and **IPEA** means the International Searching Authority and the International Preliminary Examining Authority, respectively, under the PCT;

**IPOS** means the Intellectual Property Office of Singapore; and

**KIPO** means the Korean Intellectual Property Office.

*Article 17.2*

General Obligations

Each Party re-affirms its obligations under the TRIPS Agreement, and, in accordance with the TRIPS Agreement, shall provide adequate and effective protection of intellectual property rights to the nationals of the other Party in its territory.

*Article 17.3*

Enforcement

The Parties shall, consistent with the TRIPS Agreement, provide for the enforcement of intellectual property rights in their respective laws.

*Article 17.4*

More Extensive Protection

Each Party may implement in its domestic laws more extensive protection of intellectual property rights than is required under this Agreement, provided that such protection is not inconsistent with this Agreement and the TRIPS Agreement.

*Article 17.5*

Co-Operation In The Field Of Intellectual Property

1. The Parties, recognising the growing importance of intellectual property rights as a factor of social, economic and cultural development, shall enhance their co-operation in the field of intellectual property.

2. The Parties, pursuant to paragraph 1, may co-operate in the following areas:

(a) international search and international preliminary examination under PCT and facilitation of international patenting process;

(b) promotion of mutual understanding of the other Party's intellectual property policies, activities, and experiences thereof;

(c) promotion of education and awareness of intellectual property;

(d) patent technology, licensing, and market intelligence; and

(e) plant variety protection including exchange of technical expertise and knowledge.

*Article 17.6*

Designation Of KIPO As An ISA And IPEA Under PCT

1. Singapore shall designate KIPO as an ISA and IPEA under the PCT for international applications received by IPOS insofar as these applications are submitted in the English language.

2. Within three (3) months from the date of the signature of this Agreement, KIPO and IPOS shall conclude a Working Agreement for the detailed procedures in relation to the designation of KIPO as an ISA and IPEA as mentioned in paragraph 1.

*Article 17.7*

Facilitation Of Patenting Process

Singapore shall designate KIPO as a prescribed patent office in accordance with the Patents Act (Cap. 221) of Singapore and the regulations made thereunder for the purpose of facilitating the patent process of a patent application filed in Singapore that corresponds to a patent application filed in Korea, where the applicant for that patent application filed in Singapore provides IPOS with the necessary information, documents and translation on that corresponding application filed in Korea, as required by the Patents Act and the regulations thereunder.

*Article 17.8*

Promotion Of Education And Awareness Of Intellectual Property

The Parties may jointly undertake education, workshops, and fairs in the field of intellectual property for the purposes of contributing to a better understanding of each other's intellectual property policies and experiences.

*Article 17.9*

Joint Committee On Intellectual Property

1. For the purpose of effective implementation of this Chapter, a Joint Committee on Intellectual Property ("the IP Joint Committee") shall be established. The functions of the IP Joint Committee may include:

(a) overseeing and reviewing the Parties' co-operation under this Chapter;

(b) providing advice with regard to the Parties' co-operation under this Chapter;

(c) considering and recommending new areas of co-operation on matters covered by this Chapter; and

(d) discussing other issues related to intellectual property.

2. The IP Joint Committee shall be co-chaired by senior officials from both KIPO and IPOS. The composition of the IP Joint Committee shall be decided in consultation with the co-chairs, subject to mutual agreement between the Parties. The IP Joint Committee may meet at the same time as when the Parties meet for the review under Article 22.1.

## CHAPTER 18: CO-OPERATION

*Article 18.1*

Non-Application Of Dispute Settlement Provisions

Chapter 20 (Dispute Settlement) shall not apply to any matter or dispute arising under this Chapter.

*Article 18.2*

Information And Communications Technology

***Co-operation in the Field of Information and Communications Technology***

1. The Parties, recognising the rapid development, led by the private sector, of Information and Communications Technology ("ICT") and of business practices concerning ICT-related services both in the domestic and the international contexts, shall co-operate to promote the development of ICT and ICT-related services with a view to obtaining the maximum benefit of the use of ICT for the Parties.

***Forms and Areas of Co-operation***

2. The forms of co-operation pursuant to paragraph 1 may include the following:

(a) promoting dialogue on policy issues;

(b) promoting co-operation between the private sectors of the Parties;

(c) enhancing co-operation in international fora relating to ICT; and

(d) undertaking other appropriate co-operative activities.

3. The areas of co-operation pursuant to paragraph 1 may include the following:

(a) inter-operability of Public Key Infrastructure ("PKI");

(b) development, processing, management, distribution and trade of digital contents;

(c) business opportunities in third markets; and

(d) cross-recognition of professional ICT certification.

*Article 18.3*

Electronic Commerce

1. The Parties shall encourage co-operation in research and training activities that would enhance the development of electronic commerce, including by sharing best practices on electronic commerce development.

2. Each Party shall maintain domestic legislation for electronic authentication that permits Parties to an electronic transaction to:

(a) determine the appropriate authentication technologies and implementation models for their electronic transaction, without limiting the recognition of technologies and implementation models; and

(b) have the opportunity to prove in court that their electronic transaction complies with any legal requirement.

3. The Parties shall work towards mutual recognition of digital certificates through a cross-recognition framework at government level based on internationally accepted standards.

4. The Parties shall encourage the inter-operability of digital certificates in the business sector.

*Article 18.4*

Science & Technology

1. The Parties, recognising the importance of science and technology in their respective economies, shall develop and promote co-operative activities in the field of science and technology.

2. The Parties shall encourage, where appropriate, the co-operative activities between the private sectors of the Parties in the field of science and technology.

3. The co-operation under this Article may include the following forms:

(a) exchange of scientists, researchers, technicians and experts;

(b) exchange of documentation and information of a scientific and technological nature;

(c) joint organisation of seminars, symposia, conferences and other scientific and technological meetings;

(d) implementation of joint research and development activities in fields of mutual interest as well as exchange of the results of such research and development activities;

(e) co-operation in the commercialisation of the results of scientific and technological activities; and

(f) any other form of scientific and technological co-operation agreed upon by the Parties.

4. The co-operation under this Article may include the following areas:

(a) biotechnology;

(b) nanotechnology;

(c) electronics;

(d) microelectronics;

(e) new materials;

(f) information technology;

(g) manufacturing technology;

(h) environmental technology; and

(i) science and technology (“S&T”) policy and research and development (“R&D”) systems.

*Article 18.5*

Financial Services

***Regulatory Co-operation***

1. The Parties shall promote regulatory co-operation in the field of financial services, with a view to:

(a) implementing sound prudential policies, and enhancing effective supervision of financial institutions of either Party operating in the territory of the other Party;

(b) responding properly to issues relating to globalisation in financial services, including those provided by electronic means;

(c) maintaining an environment that does not stifle legitimate financial market innovations; and

(d) conducting oversight of global financial institutions to minimise systemic risks and to limit contagion effects in the event of crisis.

2. As a part of the regulatory co-operation set out in paragraph 1, the Parties shall, in accordance with their respective laws and regulations, co-operate in sharing information on their respective securities markets and securities derivatives markets, for the purpose of contributing to the effective enforcement of the securities laws of each Party. In this connection, the regulatory agencies of each Party shall be encouraged to formalise information sharing arrangement on securities markets and securities derivatives markets through a memorandum of understanding.

3. Articles 12.5, 12.8, 12.12 and 12.13 shall not apply to the co-operation between the Parties as set out in paragraph 2.

***Capital Market Development***

4. The Parties, recognising a growing need to enhance the competitiveness of their capital markets and to preserve and strengthen their stability in rapidly evolving global financial transactions, shall co-operate in facilitating the development of the capital markets of the Parties with a view to fostering sound and progressive capital markets and improving their depth and liquidity. The Parties shall, in accordance with their respective laws and regulations, give consideration to the implementation of linkage of exchanges located within the territories of the Parties, if both Parties determine that commercial interest exists for such linkage.

*Article 18.6*

Trade And Investment Promotion

1. The Parties shall co-operate in promoting trade and investment activities by private enterprises of the Parties, recognising that efforts of the Parties to facilitate exchange and collaboration between private enterprises of the Parties will act as a catalyst to promote trade and investment between the Parties and furthermore in Asia.

2. The Parties recognise that certain co-operation between parties, one or both of whom are entities in their respective territories other than the governments of the Parties, could contribute to trade and investment promotion between the Parties. Such co-operation shall be specified in Section 1 of Annex 18A.

3. The Parties shall review the co-operation set forth in paragraph 1 and, where appropriate, recommend ways or areas of further co-operation between the parties to such co-operation.

*Article 18.7*

Paperless Trading

1. The Parties shall co-operate with a view to realising and promoting paperless trading between the Parties, on the basis of the knowledge that paperless trading greatly contributes to the promotion of trade between the Parties.

2. The Parties shall exchange views and information to study the development of paperless trading for a domestic electronic environment that enables the cross-border transaction between the Parties.

3. The Parties shall encourage their relevant public and private entities to co-operate on the activities related to paperless trading. Such activities may include:

(a) the establishment and operation of facilities to provide paperless trading between the enterprises and their respective governments of the Parties;

(b) the joint studies on how to use and exchange electronic trade-related information and electronic documents and on possible action for standardisation and establishment of legal infrastructure; and

(c) the execution of the feasible pilot projects, including the electronic transmission of the trade-related documents, such as invoice, packing list and certification of origin.

*Article 18.8*

Broadcasting

1. The Parties, recognising the importance of broadcasting as a means for promoting cultural exchanges and understanding and the rapid development of broadcasting technology and innovative broadcasting services, will encourage co-operation in the field of broadcasting between the Parties.
2. The scope, form and other details relating to the co-operation in the field of broadcasting will be specified in Section 2 of Annex 18A.

*Article 18.9*

Environment

Desiring to promote closer co-operation between interested organisations and industries of the Parties in the field of CNG technologies and applications to environmental protection, the Parties have concluded a Memorandum of Understanding to facilitate such co-operation.

*Article 18.10*

Human Resources Management And Development

1. The Parties, recognising that sustainable economic growth and prosperity largely depend on people's knowledge and skills, shall develop co-operation between the Parties and encourage mutually beneficial co-operation between parties, one or both of whom are entities in their respective territories other than the governments of the Parties, in the field of human resource development. Such co-operation activities may include the following:

(a) exchange of government officials -

the Parties shall promote exchanges of their government officials with a view to enhancing mutual understanding of the policies of their respective governments and the details of such exchanges of such government officials shall be specified in Section 3 of Annex 18A;

(b) co-operation between educational institutions -

the Parties shall facilitate the launch of double degree programmes between higher educational institutions of the Parties, such as in the area of digital media technology;

(c) third country training programme -

the Parties re-affirm the importance of the Parties' Third Country Training Programme ("TCTP") in jointly rendering meaningful and productive technical assistance to third countries, in particular, in developing their social and economic resources and in recognition of the importance of the TCTP and its role in bringing the Parties' bilateral relations to a higher level, the Parties shall make effort to increase the current level of co-operation in the TCTP;

(d) ageing population -

the Parties shall exchange views and experiences on policy issues concerning an ageing population; and

(e) people developer -

the Parties shall promote the exchange of views and experiences on people developer between the Parties.

*Article 18.11*

Maritime Transport

1. The Parties, acknowledging the importance of maritime transport in their respective economies, shall develop and promote co-operative activities in the field of maritime transport. Such co-operative activities may include the following:

(a) exchange of maritime simulation instructors/assessors and Certificate of Competency ("CoC") examiners through study visits to learn how each Party uses simulators for their respective CoC training and other maritime applications; and

(b) development of a low-cost Automatic Identification System for marine applications such as fleet management for non-SOLAS vessels, monitoring of aids to navigation and monitoring of dumping activities at sea.

2. The Parties shall conduct consultation on specifying the co-operative activities and additional maritime co-operation in accordance with the Agreement on Maritime Transport between the Government of the Republic of Korea and the Government of the Republic of Singapore, signed on May 26,1981.

*Article 18.12*

Energy

1. The Parties, recognising the importance of energy in the respective economies, shall develop and promote co-operative activities in the field of energy.

2. The co-operation may include the following forms:

(a) facilitation of co-operation between the private sectors of both Parties for the purpose of oil/gas exploration;

(b) facilitation of co-operation between research institutes, and universities of both Parties for the purpose of engaging in joint R&D projects; and

(c) exchange of information and sharing experiences in the fields of electricity and gas restructuring efforts, through study visits or such other activities as mutually agreed upon by the implementing authorities.

*Article 18.13*

Film Production

1. The Parties, recognising the importance of the co-production of films in developing and expanding the film industries of both Parties and the potential for such co-productions to promote understanding and cultural exchanges between the Parties, shall promote co-operation in this area.

2. The scope, form and other details relating to the co-operation in the area of film production will be specified in the Section 4 of Annex 18A.

*Article 18.14*

Gaming And Animation

The Parties, recognising both the potential of the gaming and animation industries as means for promoting understanding between the Parties and the rapid development of innovative media services, shall promote co-operation in this area between the Parties.

## CHAPTER 19: TRANSPARENCY

*Article 19.1*

Definitions

For the purposes of this Chapter:

**administrative ruling of general application** means an administrative ruling or interpretation that applies to all persons and fact situations that fall generally within its ambit and that establishes a norm of conduct but does not include:

(a) a determination or ruling made in an administrative or quasi-judicial proceeding that applies to a particular person, good or service of the other Party in a specific case; or

(b) a ruling that adjudicates with respect to a particular act or practice.

*Article 19.2*

Publication

1. Each Party shall ensure that its laws, regulations, procedures and administrative rulings of general application relating to any matter covered by this Agreement are promptly published or otherwise made available in such a manner as to enable interested persons and the other Party to become acquainted with them.

2. To the extent possible, each Party shall in accordance with its domestic laws, regulations and procedures:

(a) publish in advance any such laws, regulations, procedures, and administrative rulings that it proposes to adopt; and

(b) provide interested persons and the other Party a reasonable opportunity to comment on such measures.

*Article 19.3*

Notification And Provision Of Information

1. To the maximum extent possible, each Party shall notify the other Party of any measure that, the Party considers, may materially affect the operation of this Agreement or otherwise substantially affect the other Party's interests under this Agreement.

2. Upon request of the other Party, a Party shall promptly provide information and respond to questions pertaining to any measure, whether or not the other Party has been previously notified of that measure.

3. Any notification, or information provided under this Article shall be without prejudice as to whether the measure is consistent with this Agreement.

4. Any notification, request, or information under this Article shall be provided to the other Party through the relevant contact points.

*Article 19.4*

Administrative Proceedings

With a view to administering in a consistent, impartial and reasonable manner all measures referred to in Article 19.2, each Party shall ensure that in its administrative proceedings applying such measures to particular persons, goods or services of the other Party in specific cases that:

(a) wherever possible, persons of the other Party that are directly affected by a proceeding are provided with a reasonable notice, in accordance with domestic procedures, when a proceeding is initiated, including a description of the nature of the proceeding, a statement of the legal authority under which the proceeding is initiated and a general description of any issues in controversy;

(b) such persons are afforded with a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative action, when time, the nature of the proceeding and the public interest permit; and

(c) its procedures are in accordance with its domestic law.

*Article 19.5*

Review And Appeal

1. Each Party shall establish or maintain judicial, quasi-judicial, or administrative tribunals or procedures for the purpose of the prompt review and, where warranted, correction of final administrative actions regarding matters covered by this Agreement. Such tribunals shall be impartial and independent of the office or authority entrusted with administrative enforcement and shall not have any substantial interest in the outcome of the matter.

2. Each Party shall ensure that, in any such tribunals or procedures, the parties to the proceeding are provided with the right to:

(a) a reasonable opportunity to support or defend their respective positions; and

(b) a decision based on the evidence and submissions of record and, where required by domestic law, the record compiled by the administrative authority.

3. Each Party shall ensure, subject to appeal or further review as provided in its domestic law, that such decisions shall be implemented by, and shall govern the practice of, the offices or authorities with respect to the administrative action at issue.

## CHAPTER 20: DISPUTE SETTLEMENT

*Article 20.1*

Co-Operation

The Parties shall at all times endeavour to agree on the interpretation and application of this Agreement, and shall make every attempt through co-operation and consultations to arrive at a mutually satisfactory resolution of any matter that might affect its operation.

*Article 20.2*

Scope And Coverage

1. Unless otherwise agreed by the Parties elsewhere in this Agreement, the provisions of this Chapter shall apply with respect to the avoidance and settlement of all disputes between the Parties regarding the implementation, interpretation or application of this Agreement or wherever a Party considers that a measure of the other Party is inconsistent with the obligations of this Agreement or causes nullification or impairment of any benefit accruing to it directly or indirectly under Chapters 3 (National Treatment and Market Access for Goods), 4 (Rules of Origin), and 9 (Cross Border Trade on Services).

2. Unless otherwise agreed by the Parties, the timeframes and procedural rules set out in this Chapter and its Annex[es] shall apply to all disputes governed by this Chapter.

3. Findings, determinations and recommendations of an arbitral panel cannot add to or diminish the rights and obligations of the Parties under this Agreement.

4. The provisions of this Chapter may be invoked in respect of measures affecting the observance of this Agreement taken by the relevant authorities within the territory of a Party. When an arbitral panel has ruled that a provision of this Agreement has not been observed, the responsible Party shall take such reasonable measures as may be available to it to ensure its observance within its territory.

5. The Parties and the arbitral panel appointed under this Chapter shall interpret and apply the provisions of this Agreement in the light of the objectives of this Agreement and in accordance with customary rules of public international law.

*Article 20.3*

Choice Of Forum

1. Disputes regarding any matter arising under both this Agreement and the WTO Agreement, any agreement negotiated thereunder, or any successor agreement, may be settled in the forum selected by the complaining Party.

2. Once dispute settlement procedures have been initiated under Article 20.6 or dispute settlement proceedings have been initiated under the WTO Agreement, the forum selected shall be used to the exclusion of the other.

3. For the purposes of this Article, dispute settlement proceedings under the WTO Agreement are deemed to be initiated upon a request for a panel by a Party.

*Article 20.4*

Consultations

1. A Party may request in writing consultations with the other Party on any matter affecting the implementation, interpretation or application of this Agreement or whenever a party considers that any measure or any other matter that is inconsistent with the obligations of this Agreement or causes nullification or impairment of any benefit accruing to it directly or indirectly under Chapters 3 (National Treatment and Market Access for Goods), 4 (Rules of Origin), and 9 (Cross Border Trade in Services).

2. If a request for consultation is made, the Party to which the request is made shall reply to the request within ten (10) days after the date of its receipt and shall enter into consultations within a period of no more than twenty (20) days after the date of receipt of the request, with a view to reaching a mutually satisfactory solution.

3. The Parties shall make every effort to reach a mutually satisfactory resolution of any matter through consultations. To this end, the Parties shall:

(a) provide sufficient information to enable a full examination of how the measure might affect the operation of the Agreement; and

(b) treat as confidential any information exchanged in the consultations which the other Party has designated as confidential.

*Article 20.5*

Good Offices, Conciliation Or Mediation

1. The Parties may at any time agree to good offices, conciliation or mediation. They may begin at any time and be terminated by either Party at any time.

2. Proceedings involving good offices, conciliation and mediation, and in particular positions taken by the Parties during these proceedings, shall be confidential, and without prejudice to the rights of either Party in any further proceedings under the provisions of this Chapter or any other proceedings before a forum selected by the Parties.

3. If the Parties agree, procedures for good offices, conciliation or mediation may continue while the dispute proceeds for resolution before an arbitral panel established under Article 20.6.

*Article 20.6*

Request For An Arbitral Panel

1. A Party may request in writing for the establishment of an arbitral panel if the matter has not been resolved pursuant to Article 20.4, within forty-five (45) days after the date of receipt of the request for consultations.

2. A request for arbitration shall give the reason for the complaint including the identification of the measure at issue and an indication of the legal basis of the complaint.

3. Upon delivery of the request, an arbitral panel shall be established.

4. Unless otherwise agreed by the Parties, an arbitral panel shall be established and perform its functions in accordance with the provisions of this Chapter.

*Article 20.7*

Composition Of Arbitral Panels

1. The arbitral panel referred to in Article 20.6 shall consist of three (3) members. Each Party shall appoint a member within thirty (30) days of the receipt of the request under Article 20.6. The Parties shall jointly appoint the third member who shall serve as the chair of the arbitral panel within thirty (30) days of the appointment of the second member.

2. If the Parties are unable to agree on the chair of the arbitral panel within thirty (30) days after the date on which the second member has been appointed, they shall within the next ten (10) days exchange their respective list comprising four (4) nominees each who shall not be nationals of either Party. The chair shall then be appointed in the presence of both Parties by lot from the lists within forty (40) days from the date of appointment of the second member. If a Party fails to submit its list of four (4) nominees, the chair shall be appointed by lot from the list already submitted by the other Party.

3. If a member of the arbitral panel appointed under this Article becomes unable to act, a successor shall be appointed in the same manner as prescribed for the appointment of the original member and the successor shall have all the powers and duties of the original member. In such a case, any time period applicable to the arbitral panel proceedings shall be suspended for a period beginning on the date when the original member becomes unable to act and ending on the date when the new member is appointed.

4. Any person appointed as a member of the arbitral panel shall have expertise or experience in law, international trade, other matters covered by this Agreement or the resolution of disputes arising

under international trade agreements. A member shall be chosen strictly on the bases of objectivity, reliability, sound judgment and independence and shall conduct himself or herself on the same bases throughout the course of the arbitration proceedings. If a Party believes that a member is in violation of the bases stated above, the Parties shall consult and if they agree, the member shall be removed and a new member shall be appointed in accordance with this Article. Additionally, the chair shall not have his or her usual place of residence in the territory of, nor be employed by, either Party.

### *Article 20.8*

### Termination Of Proceedings

The Parties may agree to terminate the proceedings before an arbitral panel at any time by jointly notifying the chair to this effect.

### *Article 20.9*

### Proceedings Of Arbitral Panels

1. Unless the Parties agree otherwise, the arbitral panel shall follow the model rules of procedure in the Annex 20A, which shall ensure:

(a) that an arbitral panel shall meet in closed session;

(b) a right to at least one hearing before the arbitral panel;

(c) an opportunity for each Party to provide initial and rebuttal submissions;

(d) that each Party's written submissions, written versions of its oral statement, and written response to a request or question from the arbitral panel may be made public after they are submitted, subject to clause (g);

(e) that the arbitral panel may consider requests from non-governmental entities in the Parties' territories to provide written views regarding the dispute that may assist the arbitral panel in evaluating the submissions and arguments of the Parties;

(f) a reasonable opportunity for each Party to submit comments on the initial report presented pursuant to paragraph 3 of Article 20.11; and

(g) the protection of confidential information.

2. The arbitral panel may, after consulting the Parties, adopt additional rules of procedure not inconsistent with the model rules.

### *Article 20.10*

### Information And Technical Advice

1. Upon request of a Party, or on its own initiative, the arbitral panel may seek information and technical advice from any person or body that it deems appropriate. Any information and technical advice so obtained shall be made available to the Parties.

2. With respect to factual issues concerning a scientific or other technical matter raised by a Party, the arbitral panel may request advisory reports in writing from an expert or experts. The arbitral panel may, at the request of a Party or on its own initiative, select, in consultation with the Parties,

scientific or technical experts who shall assist the arbitral panel throughout its proceedings, but who shall not have the right to vote in respect of any decision to be made by the arbitral panel.

*Article 20.11*

Initial Report

1. Unless the Parties otherwise agree, the arbitral panel shall base its report on the relevant provisions of this Agreement, on the submissions and arguments of the Parties, and on any information before it, pursuant to Article 20.10.

2. Unless the Parties otherwise agree, the arbitral panel shall, within ninety (90) days after the last member is selected, present to the Parties an initial report containing:

(a) findings of law and/or fact together with reasons;

(b) its determination as to the implementation, interpretation or application of this Agreement or whether the measure at issue is inconsistent with the obligations of this Agreement or causes nullification or impairment of any benefit accruing to a Party under this Agreement, or any other determination requested in the terms of reference; and

(c) its recommendations, if any, on the means to resolve the dispute.

3. The Parties may submit written comments on the initial report within fourteen (14) days of its presentation.

4. In case that such written comments by the Parties are received as provided for in paragraph 3, the arbitral panel, on its own initiative or at the request of a Party, may reconsider its report and make any further examination that it considers appropriate after considering such written comments.

*Article 20.12*

Final Report

1. The arbitral panel shall present a final report to the Parties, within thirty (30) days of presentation of the initial report, unless the Parties otherwise agree.

2. The final report of the arbitral panel shall be made publicly available within fifteen (15) days of its delivery to the Parties.

*Article 20.13*

Implementation Of Final Report

1. The final report of an arbitral panel shall be binding on the Parties and shall not be subject to appeal.

2. On receipt of the final report of an arbitral panel, the Parties shall agree on:

(a) the means to resolve the dispute, which normally shall conform with the determinations or recommendations, if any, of the arbitral panel; and

(b) the reasonable period of time which is necessary in order to implement the means to resolve the dispute. If the Parties fail to agree on the reasonable period of time, a Party may request the original arbitral panel to determine the length of the reasonable period of time, in the light of the particular circumstances of the case. The determination of the arbitral panel shall be presented within fifteen (15) days from that request.

3. If, in its final report, the arbitral panel determines that a Party has not conformed with its obligations under this Agreement or that a Party's measure has caused nullification or impairment, the means to resolve the dispute shall, whenever possible, be to eliminate the non-conformity or the nullification or impairment.

*Article 20.14*

Non-Implementation – Compensation And Suspension Of Benefits

1. If the Parties

(a) are unable to agree on the means to resolve the dispute pursuant to paragraph 2(a) of Article 20.13 within thirty (30) days of issuance of the final report; or

(b) have agreed on the means to resolve the dispute pursuant to Article 20.13 and the Party complained against fails to implement the aforesaid means within thirty (30) days following the expiration of the reasonable period of time determined in accordance with paragraph 2(b) of Article 20.13,

the Party complained against shall enter into negotiations with the complaining Party with a view to reaching a mutually satisfactory agreement on any necessary compensatory adjustment.

2. If no mutually satisfactory agreement on compensation has been reached within twenty (20) days after the Parties have entered into negotiations on compensatory adjustment, the complaining Party may at any time thereafter provide written notice to the Party complained against that it intends to suspend the application to that Party of benefits of equivalent effect. The notice shall specify the level of benefits that the complaining Party proposes to suspend. The complaining Party may begin suspending benefits thirty (30) days after the date when it provides notice to the Party complained against under this paragraph, or the date when the arbitral panel issues the report under paragraph 6, whichever is later.

3. Any suspension of benefits shall be restricted to benefits granted to the Party complained against under this Agreement.

4. In considering what benefits to suspend under paragraph 2:

(a) the complaining Party should first seek to suspend benefits in the same sector or sectors as that affected by the measure or other matter that the arbitral panel has found to be inconsistent with this Agreement or to have caused nullification or impairment; and

(b) the complaining Party may suspend benefits in other sectors if it considers that it is not practicable or effective to suspend benefits in the same sector.

5. The suspension of benefits shall be temporary and shall only be applied until such time as the measure found to be inconsistent with this Agreement, or to have caused nullification or impairment has been removed, or a mutually satisfactory solution is reached.

6. If the Party complained against considers that:

(a) the level of benefits that the complaining Party has proposed to be suspended is manifestly excessive; or

(b) it has eliminated the non-conformity, nullification or impairment that the arbitral panel has found,

it may request the original arbitral panel to determine the matter. The original arbitral panel shall present its determination to the Parties within thirty (30) days after it reconvenes.

7. If the arbitral panel cannot be reconvened with its original members, the procedures for appointment for the arbitral panel set out in Article 20.7 shall be applied.

*Article 20.15*

Official Language

1. All proceedings and all documents submitted to the arbitral panel shall be in the English language.

2. When an original document submitted to the arbitral panel by a Party is not in the English language, that Party shall translate it into the English language and submit it with the original document at the same time.

*Article 20.16*

Expenses

1. Unless the Parties otherwise agree, the costs of the arbitral panel and other expenses associated with the conduct of its proceedings shall be borne in equal parts by both Parties.

2. Each Party shall bear its own expenses and legal costs in the arbitral proceedings.

## CHAPTER 21: EXCEPTIONS

*Article 21.1*

Definitions

For the purposes of this Chapter:

**tax agreement** means a convention for the avoidance of double taxation or other international agreement or arrangement.

*Article 21.2*

General Exceptions

1. Article XX of GATT is incorporated into and made part of this Agreement, for the purposes of:

(a) Chapters 3 (National Treatment and Market Access for Goods), 4 (Rules of Origin), 5 (Customs Procedures), 6 (Trade Remedies), and 14 (Electronic Commerce), except to the extent that a provision of those Chapters applies to services or investment; and

(b) Chapter 16 (Government Procurement), except to the extent that any of its provisions applies to services.

2. Subparagraphs (a), (b) and (c) of Article XIV of GATS are incorporated into and made part of this Agreement, for the purposes of:

(a) Chapters 3 (National Treatment and Market Access for Goods), 4 (Rules of Origin), 5 (Customs Procedures), 6 (Trade Remedies), and 14 (Electronic Commerce), to the extent that a provision of those chapters applies to services;

(b) Chapter 9 (Cross Border Trade in Services);

(c) Chapter 10 (Investment);

(d) Chapters 11 (Telecommunication) and 12 (Financial Services); and

(e) Chapter 16 (Government Procurement), to the extent that a provision applies to services.

*Article 21.3*

National Security

1. Nothing in this Agreement shall be construed:

(a) to require a Party to furnish any information, the disclosure of which it considers contrary to its essential security interests; or

(b) to prevent a Party from taking any actions which it considers necessary for the protection of its essential security interests:

(i) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials or relating to the supply of services as carried on, directly or indirectly, for the purpose of supplying or provisioning a military establishment;

(ii) taken in time of war or other emergency in international relations;

(iii) relating to fissionable and fusionable materials or the materials from which they are derived; or

(c) to prevent a Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

A Party shall inform the other Party to the fullest extent possible, of measures taken under paragraphs 1(b) and (c) and of their termination during the meeting to review the implementation of this Agreement under Article 22.1, if such measures were taken.

*Article 21.4*

Taxation

1. Except as set out in this Article, nothing in this Agreement shall apply to taxation measures.

2. Nothing in this Agreement shall affect the rights and obligations of either Party under any tax agreement to which both Parties are parties. In the event of any inconsistency between this Agreement and any such agreement, that agreement shall prevail to the extent of the inconsistency. In the case of a bilateral tax agreement between the Parties, the competent authorities under that agreement shall have sole responsibility for determining whether any inconsistency exists between this Agreement and that agreement.

3. Notwithstanding paragraph 2, Article 3.3 and such other provisions of this Agreement as are necessary to give effect to that Article shall apply to taxation measures to the same extent as does Article III of GATT 1994.

4. Articles 10.13 and 10.19 shall apply to taxation measures to the extent that such taxation measures constitute expropriation as provided for therein[21-1]. An investor that seeks to invoke Article 10.13 with respect to a taxation measure must first refer to the competent authorities described in paragraph 5, at the time that it gives notice under Article 10.19, the issue of whether that taxation measure involves an expropriation. If the competent authorities do not agree to consider the issue or, having agreed to consider it, fail to agree that the measure is not an expropriation within a period of six (6) months of such referral, the investor may submit its claim to arbitration under Article 10.19.

5. For the purposes of this Article, **competent authorities** means:

(a) for Singapore, Director for Fiscal Policy, Ministry of Finance, or his successor or such other public officer as may be designated by Singapore; and

(b) for Korea, Deputy Minister, Tax and Customs Office, Ministry of Finance and Economy or his successor.

## CHAPTER 22: ADMINISTRATION AND FINAL PROVISIONS

*Article 22.1*

Review On The Implementation Of The Agreement

1. In addition to the provisions for consultations elsewhere in this Agreement, Ministers in charge of trade negotiations of the Parties or their designated officials shall meet within a year of the date of entry into force of this Agreement and then annually or otherwise as appropriate to review the implementation of this Agreement.

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[21-1] With reference to Article 10.13 in assessing whether a taxation measure constitutes expropriation, the following considerations are relevant:

(i) the imposition of taxes does not generally constitute expropriation. The mere introduction of new taxation measures or the imposition of taxes in more than one jurisdiction in respect of an investment, does not in and of itself constitute expropriation;

(ii) taxation measures which are consistent with internationally recognised tax policies, principles and practices do not constitute expropriation. In particular, taxation measures aimed at preventing the avoidance or evasion of taxes should not, generally, be considered to be expropriatory; and

(iii) taxation measures which are applied on a non-discriminatory basis, as opposed to being targeted at investors of a particular nationality or specific individual taxpayers, are less likely to constitute expropriation. A taxation measure should not constitute expropriation if, when the investment is made, it was already in force, and information about the measure was made public or otherwise made publicly available.

2. Pursuant to paragraph 1, the Parties may:

(a) review the implementation and application of the provisions of this Agreement including the work of any committees and working groups established under this Agreement;

(b) establish and delegate responsibilities to any ad hoc or standing committees, working groups or expert groups to:

(i) assign them with tasks on specific matters;

(ii) study and recommend to the Ministers in charge of trade negotiations of the Parties any appropriate measures to resolve any issues arising from the implementation or application of any part of this Agreement; or

(iii) to consider, upon either Party’s request, new issues not already dealt with by this Agreement;

(c) modify the established rules of origin and such modification shall come into force in accordance with Article 22.4; and

(d) consider any other matter that may affect the operation of this Agreement.

*Article 22.2*

Contact Points

1. Each Party shall designate a contact point to facilitate communications between the Parties on any matter covered by this Agreement.

2. For the purposes of this Agreement, all communications or notifications to or by a Party shall be made through its contact point.

3. For the purposes of this Article, the contact points of the Parties are:

(a) for Korea, the Free Trade Agreement Bureau of the Ministry of Foreign Affairs and Trade, or its successor; and

(b) for Singapore, the Ministry of Trade and Industry, or its successor.

*Article 22.3*

Annexes And Appendices

The Annexes and Appendices to this Agreement shall constitute integral parts of this Agreement.

*Article 22.4*

Amendments

1. The Parties may agree on any modification of or addition to this Agreement.

2. When so agreed, such a modification or addition under paragraph 1 shall enter into force and constitute an integral part of this Agreement after the Parties have exchanged written notification certifying that they have completed necessary internal legal procedures and on such date or dates as may be agreed between the Parties.

*Article 22.5*

Entry Into Force

This Agreement shall enter into force thirty (30) days after an exchange of written notifications, certifying the completion of the necessary legal procedures of each Party.

*Article 22.6*

Termination

Either Party may terminate this Agreement by written notification to the other Party, and such termination shall take effect six (6) months after the date of the notification.

*Article 22.7*

Authentic Texts

The Korean and English texts of this Agreement are equally authentic. In the event of divergence, the English text shall prevail.

**IN WITNESS WHEREOF**, the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

**DONE** in , on , in duplicate, in the Korean and English languages.

**FOR THE GOVERNMENT OF THE REPUBLIC OF KOREA**

BAN KI-MOON
Minister of Foreign Affairs and Trade

**FOR THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE**

LIM HNG KIANG
Minister for Trade and Industry

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