Agreement ID : KOREA-US
Short Name : KORUS

Member Countries

Korea, Rep.of
United States

Total: 2 countries

Free Trade Agreement between the United States of America and the Republic of Korea

Status : Signed in **2007**. In force since 2012
Scope : Bilateral
Type : FTA & EIA
WTO Notification : GATT Art XXIV, GATS Art V 2012
Agreement text :
http://www.fta.go.kr/korus/pds/kor_us_list_en.html
Other links :
http://www.ustr.gov/trade-agreements/free-trade-agreements/korus-fta/final-text
WTO consideration process :
Under consideration

GOODS

Tariffs

Chapter 2; Section B: Annex 2-B (Schedule)

Negative list

Tariff concession from Korea will cover 99.7% of goods trade (with immediate effect for 80.4%) and from the US 100% (immediate effct for

Rules of Origin

Chapter 6; Section A; Annex 6-A or Annex 4-A (Specific Rules of Origin for Textile or Apparel Goods)

CTC (specified in Annex 4-A and 6-A) or RVC (specified in Annex 4-A and 6-A)

Annex 4-A (Specific Rules of Origin for Textile or Apparel Goods): "yarn forward" rule.

Contingency Measures

Anti - Dumping : Chapter 10; Section B; ARTICLE 10.7: As per WTO
Countervailing Duties : Chapter 10; Section B; ARTICLE 10.7: As per WTO
Safeguards : Chapter 10; Section A: Special textile safeguard allowing the US to impose tariffs on certain goods should injury occur due to surges.

Standards : Chapter 8 (SPS), Chapter 9 (TBT): Strong binding to WTO commitments and establishes a bilateral committee to strenghten FTA and WTO commitments on TBT.

Notes :

Nearly 95 per cent of bilateral trade in consumer and industrial products becomes duty-free within three years of entry into force of the Agreement.The reminder will be phased out over three to 15 years. Brief summary of the agreement is avaialble at http://www.ustr.gov/assets/Document_Library/Fact_Sheets/2007/asset_upload_file355_11035.pdf

SERVICES

WTO Notification (GATS Art. V) : Notified
Date of notification : 15/03/2012
Consideration Process : Under Consideration

Liberalization Approach : Negative Lists

Modes Covered

Specific Chapters on

Specific Sectors Excluded

Public Sectors carve-out :

Most Favoured Nation :

National Treatment :

Market Access :

Domestic Regulation :

Subsidies covered by services disciplines :

Denial of benefits for commercial presence :

Notes :

Link to schedules :

INVESTMENT

Scheduling Approach :

Definition of investment :

Most Favoured Nation :

National Treatment :

Fair and Equitable Treatment :

Expropriation :

Board of Directors and executive personnel :

Invester - State arbitration : No

Denial of Benefits :

Additional BIT exists between the parties : No

BIT list I :

Status:

BIT list II :

Status:

Notes :

Link to schedules :

TRADE FACILITATION

Customs procedures : **Yes** ARTICLE 7.2: Each party shall adopt or maintain simplified customs procedures for the efficient release of goods.
Customs valuation : **Yes** ARTICLE 7.5: The Parties shall cooperate in achieving compliance with their respective laws and regulations pertainir
Trade regulations publication and administration : **Yes** ARTICLE 7.1: Each Party shall publish, including on the Internet, its customs laws, regu
Use of ICT : **Yes** http://www.ustr.gov/assets/Trade_Agreements/Bilateral/Republic_of_Korea_FTA/Final_Text/asset_upload_file816_12714.pdf
Mobility of business people : **No**
Freedom of transit : **No**
Transport and logistics : **No**
Trade finance : **No**

OTHER AREAS

Government Procurement : **Yes** expanded access to government procurement contracts; building on and expanding the WTO Agreement on G
Investment : **Yes** Establishes a stable legal framework for US investors to operate in ROK.
Competition Policy : **Yes** http://www.ustr.gov/assets/Trade_Agreements/Bilateral/Republic_of_Korea_FTA/Final_Text/asset_upload_file193_12
Intellectual Property : **Yes** Trademark protection for sound and scent markets and certification marks. Applies "first-in-time, first-in-right" to trade
Dispute Settlement : **Yes** Also contains innovative DSP for auto-related measures that violite the FTA.
Labor Mobility : **Yes** http://www.ustr.gov/assets/Trade_Agreements/Bilateral/Republic_of_Korea_FTA/Final_Text/asset_upload_file934_12718.
Labor and Environmental Standards : **Yes** Both parties reafrim their obligations to the ILO; inappropriate to weaken or reduce domestic labor pr
Technical cooperation : **No**
Institutional mechanism : **No** http://www.ustr.gov/assets/Trade_Agreements/Bilateral/Republic_of_Korea_FTA/Final_Text/asset_upload_file97

Notes :
Includes strong transaprency obligations including to publish proposed regulations in advance and transaprency in operation of the FTA

RULES OF ORIGIN

Cumulation
Chapter 6; Senction A; Article 6.5:

Specific Process

Heading Change

De Minimis
Chapter 6; Senction A; Article 6.6: No exceed 10% of the adjusted value of the good
Minimum Content

Drawback
Chapter 7; Article 7.10
HTTP Link
http://www.ustr.gov/assets/Trade_Agreements/Bilateral/Republic_of_Korea_FTA/Final_Text/asset_upload_file680_12704.pdf

Notes :
For textile and clothing: "Yarn forward" rule means that apparel using yarn and fabric from the US and ROK qualifies for preferential tariff treatment.