

ANNEX III

**SCHEDULE OF RESERVATIONS AND NON-CONFORMING MEASURES FOR SERVICES AND
INVESTMENT**

KOREA

LIST A

EXPLANATORY NOTES

1. This List sets out, pursuant to Article 8.8 (Schedules of Non-Conforming Measures) and Article 10.8 (Reservations and Non-Conforming Measures), Korea's existing measures that are not subject to some or all of the obligations imposed by:
 - (a) Article 8.4 (National Treatment) or 10.3 (National Treatment);
 - (b) Article 8.5 (Market Access);
 - (c) Article 8.6 (Most-Favoured-Nation Treatment) or 10.4 (Most-Favoured-Nation Treatment);
 - (d) Article 8.11 (Local Presence);
 - (e) Article 10.6 (Prohibition of Performance Requirements); or
 - (f) Article 10.7 (Senior Management and Board of Directors).
2. Each List entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Level of Government**¹ indicates the level of government maintaining the listed measures;
 - (c) **Obligations Concerned** specifies the Articles referred to in paragraph 1 that, pursuant to subparagraph 1(a) of Article 8.8 (Schedules of Non-Conforming Measures) and subparagraph 1(a) of Article 10.8 (Reservations and Non-Conforming Measures), do not apply to the non-conforming aspects of the law, regulation, or other measure, as set out in paragraph 3;
 - (d) **Description** sets out commitments, if any, for liberalisation on the date of entry into force of this Agreement, and the remaining non-conforming aspects of the measure for which the entry is made; and
 - (e) **Measures**² identify the laws, regulations, or other measures for which the entry is made. A measure cited in the Measures element:
 - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure.
3. In the interpretation of a List entry, all elements of the entry shall be considered. An entry shall be interpreted in light of the relevant articles of the Chapters against which the entry is made. To the extent that:
 - (a) the Measures element is qualified by a liberalisation commitment from the Description element, the Measures element as so qualified shall prevail over all other elements; and

¹ If none is specified, the measure is maintained at the central level of government.

² For greater certainty, for Korea, a change in the level of government at which a measure is administered or enforced does not, by itself, decrease the conformity of the measure with the obligations referred to in paragraph 1 of Article 8.8 (Schedules of Non-Conforming Measures) and paragraph 1 of Article 10.8 (Reservations and Non-Conforming Measures).

- (b) the Measures element is not so qualified, the Measures element shall prevail over all other elements, unless any discrepancy between the Measures element and the other elements considered in their totality is so substantial and material that it would be unreasonable to conclude that the Measures element should prevail, in which case the other elements shall prevail to the extent of that discrepancy.
- 4. In accordance with subparagraph 1(a) of Article 8.8 (Schedules of Non-Conforming Measures) and subparagraph 1(a) of Article 10.8 (Reservations and Non-Conforming Measures), and subject to subparagraph 1(c) of Article 8.8 (Schedules of Non-Conforming Measures) and subparagraph 1(c) of Article 10.8 (Reservations and Non-Conforming Measures), the Articles of this Agreement specified in the Obligations Concerned element of an entry do not apply to the non-conforming aspects of the law, regulation, or other measure identified in the Measures element of that entry.
- 5. Where Korea maintains a measure that requires that a service provider be a citizen, permanent resident, or resident of its territory as a condition to the provision of a service in its territory, a List entry for that measure taken with respect to Article 8.4 (National Treatment), Article 8.6 (Most-Favoured-Nation Treatment), or Article 8.11 (Local Presence) shall operate as a List entry with respect to Article 10.3 (National Treatment), Article 10.4 (Most-Favoured-Nation Treatment), or Article 10.6 (Prohibition of Performance Requirements) to the extent of that measure.
- 6. For Korea, a **foreign person** means a foreign national or an enterprise organised under the laws of another country.
- 7. For greater certainty, Article 8.11 (Local Presence) and Article 8.4 (National Treatment) are separate disciplines and a measure that is only inconsistent with Article 8.11 (Local Presence) need not be reserved against Article 8.4 (National Treatment).

1.	Sector	:	Construction Services
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies construction services in Korea must, prior to the signing of the first contract related to such services, establish an office in Korea.
	Measure	:	<i>Framework Act on the Construction Industry</i> (Law No. 17453, 9 June 2020) Articles 9 and 10 <i>Enforcement Decree of the Framework Act on the Construction Industry</i> (Presidential Decree No. 30509, 3 March 2020) Article 13 <i>Enforcement Regulations of the Framework Act on the Construction Industry</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 704, 2 March 2020) Article 2 <i>Information and Communication Construction Business Act</i> (Law No. 17359, 9 June 2020) Article 14 <i>Fire Fighting System Installation Business Act</i> (Law No. 17378, 9 June 2020) Articles 4 and 5 <i>Enforcement Decree of the Fire Fighting System Installation Business Act</i> (Presidential Decree No. 30237, 10 December 2019) Article 2 (Table 1) <i>Enforcement Regulations of the Fire Fighting System Installation Business Act</i> (Ordinance of the Ministry of the Interior and Safety, No.156, 15 January 2020) Article 2

2.	Sector	:	Leasing, Rental, Maintenance, Repair, Sales, and Disposal Services Related to Construction Machinery and Equipment
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies leasing, rental, maintenance, repair, sales, and disposal services related to construction machinery and equipment must establish an office in Korea.
	Measure	:	<i>Construction Machinery Management Act</i> (Law No. 17453, 9 June 2020) Article 21 <i>Enforcement Decree of the Construction Machinery Management Act</i> (Presidential Decree No. 30798, 23 June 2020) Articles 13, 14, 15, and 15-2 <i>Enforcement Regulations of the Construction Machinery Management Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 745, 1 July 2020) Articles 57 through 63, 65-2, and 65-3

3.	Sector	:	Transportation Services - Automobile Maintenance, Repair, Sales, Disposal, and Inspection Services; Automobile Licence Plate Issuing Services
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies automobile management services (which includes used car sales, maintenance, repair, and disposal services) must establish an office in Korea and obtain authorisation from the head of the <i>si/gun/gu</i> (municipal authorities), which is subject to an economic needs test, as appropriate. A person that supplies automobile inspection services that is designated as a “designated repair facility” must establish an office in Korea. A person that supplies licence plate manufacturing, delivery, and seal services that is designated as a “licence plate issuing agency” must establish an office in Korea.
	Measure	:	<i>Automobile Management Act</i> (Law No. 17235, 7 April 2020) Articles 20, 44, 45, and 53 <i>Enforcement Regulations of the Automobile Management Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 744, 26 June 2020) Articles 7, 8, 83, 87, and 111 <i>Rule on Enforcement of Comprehensive Inspection of Automobiles, Etc.</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No.749, 22 July 2020, Ordinance of the Ministry of Environment No.878, 22 July 2020), Article 16

4.	Sector	:	Distribution Services - Wholesale and Retail Distribution of Tobacco and Liquor
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies tobacco wholesale (including importation) or retail distribution services must establish an office in Korea. Only designated tobacco retailers may sell tobacco to retail buyers. The sale of tobacco to retail buyers by mail or in electronic commerce is prohibited. The distance between places of business of tobacco retailers must be at least 50 metres. A person that supplies liquor wholesale distribution services must establish an office in Korea and obtain authorisation from the head of the relevant tax office, which is subject to an economic needs test. The sale of liquor by telephone or in electronic commerce is prohibited.
	Measure	:	<i>Tobacco Business Act</i> (Law No. 17142, 31 March 2020) Articles 12, 13, and 16 <i>Enforcement Decree of the Tobacco Business Act</i> (Presidential Decree No. 30509, 3 March 2020) Articles 4 and 5 <i>Enforcement Regulations of the Tobacco Business Act</i> (Ordinance of the Ministry of Economy and Finance No. 796, 24 June 2020) Articles 5, 7, and 7-3 <i>Liquors Act</i> (Law No. 16847, 31 December 2019) Articles 8 through 10 <i>Enforcement Decree of the Liquors Act</i> (Presidential Decree No. 30392, 11 February 2020) Article 9 <i>Notice of National Tax Service</i>, 2020-17 (1 July 2020) and 2019-11 (4 April 2019)

5.	Sector	:	Agriculture and Livestock
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Article 10.3)
	Description	:	<u>Investment</u> Foreign persons may not: (i) invest in an enterprise engaged in rice or barley farming; or (ii) hold 50 per cent or more of the equity interest of an enterprise engaged in beef cattle farming.
	Measure	:	<i>Foreign Investment Promotion Act</i> (Law No. 16859, 31 December 2019) Article 4 <i>Enforcement Decree of the Foreign Investment Promotion Act</i> (Presidential Decree No. 30586, 31 March 2020) Article 5 <i>Regulations on Foreign Investment</i> (Notice of the Ministry of Trade, Industry, and Energy, No.2018-137, 6 July 2018) Attached Table 1 and 2

6.	Sector	:	Business Services - <i>an-gyung-sa</i> (Optician and Optometry) Services
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> Only a natural person that is a licensed <i>an-gyung-sa</i> (optician or optometrist) that has established an office in Korea may engage in optician or optometry services. An <i>an-gyung-sa</i> (optician or optometrist) may not establish more than one office.
	Measure	:	<i>Medical Technicians Act</i> (Law No. 17211, 7 April 2020) Article 12 <i>Enforcement Regulations of the Medical Technicians Act</i> (Ordinance of the Ministry of Health and Welfare No. 672, 27 September 2019) Article 15

7.	Sector	:	Wholesale and Retail Distribution Services
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies wholesale trade services must establish an office in Korea in order to receive an import business licence to supply such services with respect to: (a) pharmaceuticals and related items; (b) medical devices; or (c) functional foods (including dietary supplements). To supply the following services a person must establish an office in Korea: (a) transportation, sales, and preservation (cold storage) of food and food additives; (b) food supply services; (c) food inspection services; (d) narcotic drug wholesale and retail distribution services; or (e) cosmetics (including functional cosmetics) supply services. The Minister of Health and Welfare controls the supply and demand of the wholesale distribution of imported designated <i>han-yak-jae</i> (Asian medicinal herbs). Certain liquor-selling bars and the wholesale and retail distribution of narcotics require authorisation by the relevant authority. A person that supplies wholesaling or retailing services for used cars must establish an office in Korea and obtain authorisation from the head of the <i>si/gun/gu</i> (municipal authorities), which is subject to an economic need test, as appropriate.
	Measure	:	<i>Pharmaceutical Affairs Act</i> (Law No. 17208, 7 April 2020) Articles 42 and 45 <i>Enforcement Decree of the Pharmaceutical Affairs Act</i> (Presidential Decree No. 30545, 24 March 2020) Article 31-2 <i>Decree on the Facility Standards of Manufacturer and Importer of Pharmaceuticals</i> (Presidential Decree No. 24479, 23 March 2013) Article 6 <i>Supply, Demand and Distribution of Oriental Medicinal Herbs Regulations</i> (Notice of the Ministry of Health and Welfare No. 2015-210, 9 December 2015) Articles 4 and 12

		<i>Medical Devices Act</i> (Law No. 17091, 24 March 2020) Article 15 <i>Enforcement Regulations of the Medical Devices Act</i> (Ordinance of Prime Minister No. 1617, 29 May 2020) Articles 29 and 31 <i>Health Functional Foods Act</i> (Law No. 16715, 3 December 2019) Article 6 <i>Enforcement Regulations of the Health Functional Foods Act</i> (Ordinance of the Prime Minister No. 1619, 4 June 2020) Articles 2 and 5 <i>Food Sanitation Act</i> (Law No. 17091, 24 March 2020) Articles 36 and 37 <i>Enforcement Decree of the Food Sanitation Act</i> (Presidential Decree No. 30545, 24 March 2020) Articles 23 and 24 <i>Enforcement Regulations of the Food Sanitation Act</i> (Ordinance of the Prime Minister No. 1610, 13 April 2020) Article 36 (Attached Table 14) <i>Livestock Products Sanitary Control Act</i> (Law No. 17091, 24 March 2020) Articles 21, 22 and 24 <i>Enforcement Decree of the Livestock Products Sanitary Control Act</i> (Presidential Decree No.30545, 24 March 2020) Articles 21 and 22 <i>Enforcement Regulations of the Livestock Products Sanitary Control Act</i> (Ordinance of the Prime Minister No. 1611, 16 April 2020), Article 29 (Attached Table 10) <i>Special Act on Imported Food Safety Management</i> (Law No. 16716, 3 December 2019) Articles 14 and 15 <i>Enforcement Decree of the Special Act on Imported Food Safety Management</i> (Presidential Decree No. 29763, 14 May 2019) Article 2 <i>Enforcement Regulations of the Special Act on Imported Food Safe Management</i> (Ordinance of the Prime Minister No. 1618, 3 June 2020) Article 15 <i>Testing and Inspection of Food and Drugs Act</i> (Law No. 15942, 11 December 2018) Article 6 <i>Enforcement Regulations of the Testing and Inspection of Food and Drugs Act</i> (Ordinance of the Prime Minister No. 1547, 19 June 2019) Article 2 <i>Act on the Control of Narcotics</i> (Law No. 16714, 3 December 2019) Articles 6 and 6-2 <i>Cosmetics Act</i> (Law No. 17250, 7 April 2020) Article 3 <i>Enforcement Regulations of the Cosmetics Act</i> (Ordinance of the Prime Minister No. 1627, 30 June 2020) Article 4 <i>Motor Vehicle Management Act</i> (Law No. 17235, 7 April 2020) Article 53 <i>Enforcement Regulations of the Motor Vehicle Management Act</i> (Ordinance of the Minister of Land, Infrastructure, and Transport No. 744, 26 June 2020) Article 111
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8.	Sector	:	Retail Distribution of Pharmaceuticals
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies pharmaceutical product retail distribution services (including distribution of <i>han-yak-jae</i> (Asian medicinal herbs)) must establish a pharmacy in Korea. That person may not establish more than one pharmacy nor establish in the form of a corporation.
	Measure	:	<i>Pharmaceutical Affairs Act</i> (Law No. 17208, 7 April 2020) Articles 20 and 21 <i>Enforcement Decree on the Pharmaceutical Affairs Act</i> (Presidential Decree No. 30545, 24 March 2020) Article 22-2

9.	Sector	:	Transportation Services - Rail Transportation and Incidental Services
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Article 8.4) Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> The existing regulation broadly states that only juridical persons that have obtained authorisation from the Minister of Land, Infrastructure and Transport may supply railroad transportation services. In practice, however, only juridical persons of Korean nationality (of which shares are 100 per cent owned by the shareholders with Korean nationality) established by a Korean national may supply railroad transportation services on railroad routes constructed on or before 30 June 2005. Only juridical persons that have obtained authorisation from the Minister of Construction and Transportation may supply railroad transportation services on railroad routes constructed on or after 1 July 2005. Such authorisation is subject to an economic needs test. In case that a person who operates a rail transport service business concludes or revises a contract for joint venture or agreement related to transport, he or she must obtain relevant authorisation from the Minister of Land, Infrastructure, and Transport. Only the central or local level of government, or the Korea Rail Network Authority may supply rail construction services and maintain and repair government-owned rail facilities (including high-speed rail). However, juridical persons that meet the criteria in the <i>Private Investment in Social Infrastructure Act</i> may supply rail construction services.
	Measure	:	<i>Railroad Service Act</i> (Law No. 16637, 26 November 2019) Articles 5, 6, and 12 <i>Korea Railroad Corporation Act</i> (Law No. 15460, 13 March 2018) Article 9 <i>Act on the Construction of Railroad and the Maintenance of Railroad Facilities</i> (Law No. 17453, 9 June 2020) Article 8 <i>Framework Act on Rail Industry Development</i> (Law No. 17453, 9 June 2020) Articles 3, 20, 26, and 38 <i>Korea Rail Network Authority Act</i> (Law No. 16641, 26 November 2019) Article 7

10.	Sector	:	Transportation Services - International Maritime Cargo Transportation and Maritime Auxiliary Services
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Article 8.4) Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies international maritime cargo transportation must be organised as a company in Korea as stipulated under the <i>Korean Commercial Act</i>. A ship investment company must also be organised as a <i>Chusik Hoesa</i> (stock company) in Korea. A person that engages in shipping brokerage services, maritime agency services and vessel maintenance and repair services must be the company as stipulated under the <i>Korean Commercial Act</i> and registered according to the <i>Maritime Transportation Act</i>. Only a Korean national may supply maritime pilotage services.
	Measure	:	<i>Maritime Transportation Act</i> (Law No. 16521, 20 August 2019) Articles 24 and 33 <i>Enforcement Regulations of the Maritime Transportation Act</i> (Ordinance of the Ministry of Oceans and Fisheries No. 402, 6 April 2020) Articles 16, 19, 22, and 23 <i>Pilotage Act</i> (Law No. 17025, 18 February 2020) Article 6 <i>Ship Investment Company Act</i> (Law No. 16507, 20 August 2019) Articles 3 and 31

11.	Sector	:	Transportation Services - Air Transportation Services
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> The following persons may not supply scheduled or non-scheduled domestic air transportation services or supply international air transportation services as Korean air carriers: (a) a foreign national; (b) a foreign government or a foreign <i>gong-gong-dan-che</i> (organisation for public purposes); (c) an enterprise organised under foreign law; (d) an enterprise in which any of the persons referred to in subparagraphs (a) through (c) owns 50 per cent or more of the equity interest, or has control; or (e) an enterprise organised under Korean law whose <i>dae-pyo-ja</i> (for example, a chief executive officer, president, or similar principal senior officer) is a foreign national or half or more of whose senior management are foreign nationals. A person that owns an aircraft or is authorised to operate a chartered aircraft must register the aircraft with the Minister of Land, Infrastructure and Transport. The persons listed in subparagraphs (a) through (e) are not allowed to register an aircraft.
	Measure	:	<i>Aviation Safety Act</i> (Law No. 17463, 9 June 2020) Articles 7 and 10 <i>Aviation Business Act</i> (Law No. 16642, 26 November 2019) Articles 7 through 10 <i>Enforcement Regulations of the Aviation Business Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 732, 27 May 2020) Articles 8, 8-2, and 12

12.	Sector	:	Courier Services
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> To supply international courier services that include commercial document delivery services, as specified in Article 3 of the <i>Enforcement Decree of the Postal Services Act</i>, a person must establish an office in Korea. In order to obtain a trucking business licence from the Minister of Land, Infrastructure and Transport, a domestic courier services supplier must establish an office in the relevant geographic area. Such a licence is subject to an economic needs test. For greater certainty, a person acquiring a domestic courier services supplier does not need to obtain a new trucking business licence provided that the acquirer operates under the same terms and conditions as set out in the acquiree's licence.
	Measure	:	<i>Aviation Business Act</i> (Law No. 16642, 26 November 2019) Article 52 <i>Enforcement Regulations of the Aviation Business Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 732, 27 May 2020) Article 52 <i>Trucking Transport Business Act</i> (Law No. 17453, 9 June 2020) Articles 3, 24, and 29 <i>Enforcement Regulations of Trucking Transportation Business Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 738, 17 June 2020) Articles 6, 34, and 41-2

13.	Sector	:	Telecommunications Services
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services and Investment</u> A licence for facilities-based public telecommunications services or a registration for non-facilities-based public telecommunications services shall be granted only to a juridical person organised under Korean law. A licence for facilities-based public telecommunications services shall not be granted to or held by a juridical person organised under Korean law in which a foreign government, foreign person, or deemed foreign person holds in the aggregate more than 49 per cent of the juridical person's total voting shares. A foreign government, foreign person, or deemed foreign person may not in the aggregate hold more than 49 per cent of the total voting shares of a facilities-based supplier of public telecommunications services. In addition, with respect to KT Corporation (KT), a foreign government, foreign person, or deemed foreign person may not be the largest shareholder of KT, except if it holds less than five per cent of the total voting shares of KT. A foreign government, or its representative, or a foreign person may not obtain or hold a radio station licence. A foreign person may not supply cross-border public telecommunications services into Korea, except through a commercial arrangement with a supplier of public telecommunications services that is licensed in Korea. For the purposes of this entry: (a) deemed foreign person means a juridical person organised under Korean law in which a foreign government or a foreign person (including a "specially related person" under subparagraph 6(a) of Article 2 of the <i>Act on Corporate Governance of Financial Companies</i>) is the largest shareholder and holds 15 per cent or more of that juridical person's total voting shares, but does not include a juridical person that holds less than 1 per cent of the total voting shares of a facilities-based supplier of public telecommunications services; (b) consistent with Article 5.2 of the <i>Telecommunications Business Act</i> (Law No. 13823, 27 January 2016), a facilities-based supplier is a supplier that owns transmission facilities; (c) consistent with Article 5.3 of the <i>Telecommunications Business Act</i> (Law No. 13823, 27 January 2016), a non-

			facilities-based supplier is a supplier that does not own transmission facilities (but may own a switch, router or multiplexer) and supplies its public telecommunication services through transmission facilities of a licensed facilities-based supplier; and (d) consistent with subparagraph 3 of Article 2 of the <i>Telecommunications Basic Act</i> (Law No. 13586, 22 December 2015), transmission facilities means wireline or wireless transmission facilities (including circuit facilities) that connect transmitting points with receiving points.
	Measure	:	<i>Telecommunications Business Act</i> (Law No. 13823, 27 January 2016) Articles 6, 7, 8, 21, and 87 <i>Telecommunications Business Act</i> (Law No. 5385, 28 August 1997) Addenda Article 4 <i>Radio Waves Act</i> (Law No. 16756, 10 December 2019) Articles 13 and 20

14.	Sector	:	Real Estate Brokerage and Appraisal Services
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies real estate brokerage services or real estate appraisal services must establish an office in Korea.
	Measure	:	<i>Licensed Real Estate Agent Act</i> (Law No. 17453, 9 June 2020) Article 9 <i>Enforcement Decree of the Licensed Real Estate Agent Act</i> (Presidential Decree No. 30509, 3 March 2020) Article 13 <i>Enforcement Regulations of the Licensed Real Estate Agent Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 689, 21 February 2020) Article 4 <i>Act on Appraisal and Certified Appraisers</i> (Law No. 17219, 7 April 2020) Articles 20, 21, and 29 <i>Enforcement Decree of the Act on Appraisal and Certified Appraisers</i> (Presidential Decree No. 30428, 18 February 2020) Articles 20, 21, and 25 <i>Enforcement Regulations of the Act on Appraisal and Certified Appraisers</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 690, 21 February 2020) Articles 17, 18, and 20

15.	Sector	:	Retail, Leasing, Rental and Repair Services Related to Medical Devices
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies retail, leasing, rental, or repair services related to medical devices must establish an office in Korea.
	Measure	:	<i>Medical Devices Act</i> (Law No. 17091, 24 March 2020) Articles 16 and 17 <i>Enforcement Regulations of the Medical Devices Act</i> (Ordinance of the Prime Minister No. 1617, 29 May 2020) Articles 35 and 37

16.	Sector	:	Rental Services - Automobiles
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies automobile rental services must establish an office in Korea.
	Measure	:	<i>Passenger Transport Service Act</i> (Law No. 17453, 9 June 2020) Articles 28 and 29 <i>Enforcement Regulations of the Passenger Transport Service Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 716, 14 April 2020) Articles 60, 61, 62, and 64

17.	Sector	:	Scientific Research Services and Sea Map Making Services
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3)
	Description	:	<u>Trade in Services and Investment</u> A foreign person, a foreign government, or a Korean enterprise owned or controlled by a foreign person that intends to conduct marine scientific research in the territorial waters or exclusive economic zone of Korea must obtain prior authorisation or consent from the Minister of Oceans and Fisheries whereas a Korean national or a Korean enterprise not owned or controlled by a foreign person need only to provide notification to the Minister of Oceans and Fisheries.
	Measure	:	<i>Marine Scientific Research Act</i> (Law No. 17057, 18 February 2020) Articles 6, 7, and 8 <i>Territorial Sea and Contiguous Zone Act</i> (Law No. 15429, 13 March 2018) Article 5

18.	Sector	:	Professional Services - Legal Services
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> Only a <i>byeon-ho-sa</i> (Korean-licensed lawyer) registered with the Korean Bar Association may supply legal services. Only a <i>byeon-ho-sa</i> (Korean-licensed lawyer) may establish the following types of legal entity: <i>beop-yool-sa-mu-so</i> (law office), <i>beop-mu-beop-in</i> (law company with the characteristics of partnership), <i>beop-mu-beop-in</i> (yoo-han) (limited liability law company), or <i>beop-mu-jo-hap</i> (limited liability partnership law office). For greater certainty, a person that is not a Korean-licensed lawyer is not permitted to invest in any of these types of legal entity. A <i>byeon-ho-sa</i> (Korean-licensed lawyer) or <i>beop-mu-sa</i> (Korean-certified judicial scrivener) who practices in Korea must establish an office in the jurisdiction of the district court in which he or she practices. A <i>gong-jeung-in</i> (Korean notary public) must establish an office in the jurisdiction of the district office of the public prosecutor in which he or she practices. This entry is subject to the commitments undertaken in the entry for Legal Services – Foreign Legal Consultants in List B.
	Measure	:	<i>Attorney-at-law Act</i> (Law No. 17366, 9 June 2020) Articles 4, 7, 21, 21-2, 34, 45, 58-6, 58-22, and 109 <i>Certified Judicial Scriveners Act</i> (Law No.17366, 9 June 2020) Articles 2, 3, and 14 <i>Notary Public Act</i> (Law No. 15150, 12 December 2017) Articles 10, 16, and 17

19.	Sector	:	Professional Services - Accounting and Auditing Services
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> Only a <i>gae-in-sa-mu-so</i> (sole proprietorships), <i>gam-sa-ban</i> (auditing task forces) or <i>hoe-gye-boep-in</i> (accounting corporation limited liability company) established in Korea by <i>gong-in-hoe-gye-sa</i> (Korean-certified public accountants) registered under the <i>Certified Public Accountant Act</i> may supply accounting and auditing services. For greater certainty, a person that is not a Korean-registered certified public accountant may not invest in any of these types of legal entity. Only <i>gong-in-hoe-gye-sa</i> (Korean-certified public accountants) in an auditing task force or an accounting corporation may supply auditing services regulated under the <i>External Audit of Stock Companies Act</i>.
	Measure	:	<i>Certified Public Accountant Act</i> (Law No.17291, 19 May 2020) Articles 2, 7, 12, 18, and 23 <i>Act on External Audit of Stock Companies Etc.</i>, (Law No. 15514, 20 March 2018) Articles 2 and 9

20.	Sector	:	Professional Services - Tax Accountant (<i>se-mu-sa</i>)
	Level of Government		Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> Only a <i>se-mu-sa-mu-so</i> (sole proprietorships), <i>se-mu-jo-jeong-ban</i> (tax reconciliation task forces) or, <i>se-mu-beop-in</i> (tax agency corporation limited liability company) established in Korea by <i>se-mu-sa</i> (Korean-certified tax accountants) registered under the <i>Certified Tax Accountant Act</i> may supply <i>se-mu-sa</i> (Korean-certified tax accountants) services, including tax reconciliation services and tax representative services. For greater certainty, a person that is not a Korean-registered certified tax accountant may not invest in any of these types of legal entity. Only a <i>se-mu-jo-jeong-ban</i> (tax reconciliation task force) or a <i>se-mu-beop-in</i> (tax agency corporation limited liability company) may supply tax reconciliation services.
	Measure	:	<i>Certified Tax Accountant Act</i> (Law No. 17339, 9 June 2020) Articles 6, 13, 16-3, and 20 <i>Corporate Tax Act</i> (Law No. 16833, 31 December 2019) Article 60 <i>Income Tax Act</i> (Law No. 16834, 31 December 2019) Article 70 <i>Guidelines Governing the Work of Tax Agents</i>, Articles 20 and 22

21.	Sector	:	Engineering and Other Technical Services - Industrial Safety, Health Institution, and Consulting Services
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies safety and health management or diagnostic services to industrial workplaces must establish an office in Korea. A person that supplies industrial safety or hygiene consulting services, such as evaluation and instruction on safety in a work process and evaluation and instruction on the improvement of work environments, must establish an office in Korea.
	Measure	:	<i>Industrial Safety and Health Act</i> (Law No. 17433, 9 June 2020) Articles 17, 18, 21, and 145 <i>Enforcement Decree of the Industrial Safety and Health Act</i> (Presidential Decree No. 30509, 3 March 2020) Article 27 <i>Enforcement Regulations of the Industrial Safety and Health Act</i> (Ordinance of the Ministry of Employment and Labor No. 272, 26 December 2019) Articles 16 and 229

22.	Sector	:	Engineering and Other Technical Services - Architectural Services, Engineering Services, Integrated Engineering Services, Urban Planning and Landscape Architectural Services, Surveying and Map-making Services (not including cadastral surveying and cadastral map-making services)
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies architectural services, engineering services, integrated engineering services, urban planning and landscape architectural services or surveying and map-making services (not including cadastral surveying and cadastral map-making services) must establish an office in Korea. For greater certainty, this entry does not apply to the supply of services by a foreign architect through a joint contract with a Korean-licensed architect.
	Measure	:	<i>Certified Architects Act</i> (Law No. 17453, 9 June 2020) Article 23 <i>Enforcement Decree of the Certified Architects Act</i> (Presidential Decree No. 30774, 9 June 2020) Articles 22 and 23 <i>Enforcement Regulations of the Certified Architects Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 739, 18 June 2020) Article 13 <i>Engineering Industry Promotion Act</i> (Law No. 16652, 26 November 2019) Article 21 <i>Enforcement Decree of the Engineering Industry Promotion Act</i> (Presidential Decree No. 29677, 2 April 2019) Article 33 <i>Professional Engineers Act</i> (Law No. 17347, 9 June 2020) Article 6 <i>Special Act on the Safety Control and Maintenance of Establishments</i> (Law No. 17453, 9 June 2020) Article 28 <i>Enforcement Decree of the Special Act on the Safety Control and Maintenance of Establishment</i> (Presidential Decree No. 30876, 28 July 2020) Article 23 <i>Construction Technology Promotion Act</i> (Law No. 17453, 9 June 2020) Article 26 <i>Enforcement Decree of the Construction Technology Promotion Act</i> (Presidential Decree No. 30885, 30, July 2020) Article 44 <i>Enforcement Regulations of the Construction Technology Promotion Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 726, 26 May 2020) Article 21 <i>Environmental Testing and Inspection Act</i> (Law No. 15200, 12 December 2017) Article 16 <i>Framework Act on the Construction Industry</i> (Law No. 17453, 9 June 2020) Articles 9 and 10

		<i>Enforcement Decree of the Framework Act on the Construction Industry</i> (Law No. 30893, 4 August 2020) Article 13 <i>Act on the Establishment, management, Etc. of Spatial Data</i> (Law No. 16812, 10 December 2019) Articles 44 and 54 <i>Enforcement Decree of the Act on the Establishment, management, Etc. of Spatial Data</i> (Presidential Decree No. 30799, 23 June 2020) Articles 34, 35, 36, 45, 46, and 47 <i>Hot Spring Act</i> (Law No. 14795, 18 April 2017) Article 7 <i>Fire Fighting System Installation Business Act</i> (Law No. 17378, 9 June 2020) Article 4
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23.	Sector	:	Business Services - Electronic Billboard Operator Services and Outdoor Advertisement Services
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> A foreign national or a Korean national who serves as a <i>dae-pyo-ja</i> (for example, a chief executive officer, president, or similar principal senior officer) of a foreign enterprise may not serve as the <i>dae-pyo-ja</i> (for example, a chief executive officer, president, or similar principal senior officer) or chief programmer of an enterprise that supplies electronic billboard operator services. At least 20 per cent of the electronic billboard programmes must be non-commercial public advertisements provided by the central or local government. A person that supplies outdoor advertising services must establish an office in Korea.
	Measure	:	<i>Broadcasting Act</i> (Law No. 16750, 10 December 2019) Articles 13 and 73 <i>Act on the Management of Outdoor Advertisements, Etc. and Promotion of Outdoor Advertisements Industry</i> (Law No. 17091, 24 March 2020) Article 11 <i>Enforcement Decree of the Act on the Management of Outdoor Advertisements, Etc. and Promotion of Outdoor Advertisements Industry</i> (Presidential Decree No. 30645, 28 April 2020) Articles 14 and 44

24.	Sector	:	Business Services - Job Placement Services, Labour Supply and Worker Dispatch Services, and Education Services for Seafarers
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services and Investment</u> A person that supplies job placement services for a fee, worker supply services, or worker dispatch (secondment) services must establish an office in Korea. For transparency purposes, as of 16 January 2020 the types of business to which workers may be seconded are limited to the 32 businesses set forth in the <i>Presidential Decree</i>, but the Minister of Employment and Labor can expand the types of business and the secondment period, pursuant to the review and determination by the Committee of the Free Economic Zone. Only the Korea Seafarers Welfare and Employment Center, regional offices of the Minister of Oceans and Fisheries, a seafarer management business operator and an organisation or institution related to maritime affairs and fisheries regulated under <i>Seafarer Act</i> may supply seafaring labour supply services. A person that provides seafarer management services must be the company as stipulated under the <i>Korean Commercial Act</i> and register in accordance with the <i>Maritime Transportation Act</i>. Only the Korea Institute of Maritime and Fisheries Technology may provide education and training for seafarers.
	Measure	:	<i>Employment Security Act</i> (Law No. 17326, 26 May 2020) Articles 19 and 33 <i>Enforcement Decree of the Employment Security Act</i> (Presidential Decree No. 29950, 2 July 2019) Articles 21 and 33 <i>Enforcement Regulations of the Employment Security Act</i> (Ordinance of the Ministry of Employment and Labor No. 263, 15 October 2019) Articles 17, 18, and 36 <i>Act Relating to Protection for Dispatched Workers</i> (Law No. 17326, 26 May 2020) Articles 5 through 10 <i>Enforcement Decree of the Act Relating to Protection for Dispatched Workers</i> (Presidential Decree No. 30256, 24 December 2019) Articles 2 and 3 <i>Enforcement Regulations of the Act Relating to Protection for Dispatched Workers</i> (Ordinance of the Ministry of Employment and Labor No. 272, 26 December 2019) Articles 3 and 5 <i>Special Act on Designation and Management of Free Economic Zones</i> (Law No. 16416, 30 April 2019) Article 17

			<i>Seafarers Act</i> (Law No. 17032, 18 February 2020) Articles 109, 110, 112, 115, 116, 117, 142, and 143 <i>Korea Institute of Maritime and Fisheries Technology Act</i> (Law No. 13272, 27 March 2015) Article 5
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25.	Sector	:	Investigation and Security Services
	Level of Government	:	Central
	Obligation Concerned	:	Market Access (Article 8.5) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> Only a juridical person organised under Korean law may supply security services in Korea. For transparency purposes, only five types of security services are permitted in Korea: (a) <i>shi-seol-gyung-bee</i> (facility security); (b) <i>ho-song-gyung-bee</i> (escort security); (c) <i>shin-byun-bo-ho</i> (personal security); (d) <i>gee-gye-gyung-bee</i> (mechanised security); and (e) <i>teuk-soo-gyung-bee</i> (special security).
	Measure	:	<i>Security Services Industry Act</i> (Law No. 16316, 16 April 2019) Articles 3 and 4 <i>Enforcement Decree of the Security Services Industry Act</i> (Presidential Decree No. 30384, 4 February 2020) Articles 3 and 4 <i>Enforcement Regulations of the Security Services Industry Act</i> (Ordinance of the Ministry of the Interior and Safety, No. 112, 23 April 2019) Article 3

26.	Sector	:	Distribution Services Related to Publications
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Article 8.4)
	Description	:	<u>Trade in Services</u> Publications for the purposes of domestic distribution are subject to a review process on an <i>ad hoc</i> basis.
	Measure	:	<i>Publishing Industry Promotion Act</i> (Law No. 16693, 3 December 2019) Articles 18, 19, and 19-3 <i>Enforcement Decree of the Publishing Industry Promotion Act</i> (Presidential Decree No. 29950, 2 July 2019) Article 12 <i>Enforcement Regulations of the Publishing Industry Promotion Act</i> (Ordinance of the Ministry of Culture, Sports and Tourism No. 397, 23 June 2020) Article 7

27.	Sector	:	Transportation Services - Aircraft Maintenance and Repair Services
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies aircraft maintenance and repair services must establish an office in Korea. ³
	Measure	:	<i>Aviation Business Act</i> (Law No. 16642, 26 November 2019) Articles 42 and 44 <i>Enforcement Regulations of the Aviation Business Act</i> (Ordinance of the Ministry of Land, Infrastructure and Transport No. 732, 27 May 2020) Articles 5, 41, and 43 <i>Aviation Safety Act</i> (Law No. 17463, 9 June 2020) Article 97

³ For greater certainty, an establishment of office in Korea is not required to supply maintenance and repair services for a Korean aircraft in the territory of other Parties.

28.	Sector	:	Education Services - Higher Education
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> At least 50 per cent of the members of the board of directors of a private higher education institution must be Korean nationals. If a foreign person contributes at least 50 per cent of the basic property of a higher education institution, up to but not including two thirds of the members of the board of directors of such an institution may be foreign nationals. For the purposes of this entry, basic property means real estate, property designated as basic property by the articles of association, property incorporated into the basic property according to decisions of the board of directors, and an annual budgetary surplus reserve of the institution. Only non-profit school juridical persons approved by the Minister of Education may establish higher education institutions (other than the types of institutions listed in List B) in Korea. The Minister of Education may restrict the total number of students per year in the fields of medicine, pharmacology, veterinary medicine, traditional Asian medicine, medical technicians, and higher education for pre-primary, primary, and secondary teachers, and higher education institutions located in the Seoul Metropolitan Area. For the purposes of this entry, "Seoul Metropolitan Area" includes the Seoul Metropolitan City, Incheon Metropolitan City, and Gyeonggi Province. Only the central or local governments of Korea may establish higher education institutions for training of primary school teachers. Only the central government may establish higher education institutions that supply higher education services to the public through broadcasting. Any new establishment, extension, or transfer of a higher education institution other than Technology Universities and Intra-company Universities may be restricted in the Seoul Metropolitan Area. Operation of joint educational programmes with junior colleges, universities, and industrial universities is limited to foreign universities, which obtained accreditation by foreign public accreditation bodies or which acquired recognition or recommendation by their governments, in fields that the president of the university (junior college) recognises as necessary Credits acquired from other higher educational institutions, local or

		foreign, are acknowledged to the extent that such acknowledged credits do not exceed half of the total credits required for graduation.
	Measure	: <i>Higher Education Act</i> (Law No. 16742, 10 December 2019) Articles 3, 4, 21, 23, 32, 42, and 43 <i>Enforcement Decree of the Higher Education Act</i> (Presidential Decree No. 30725, 2 June 2020) Articles 13, 15, and 28 <i>Private School Act</i> (Law No. 16679, 3 December 2019) Articles 3, 5, 10, and 21 <i>Enforcement Decree of the Private School Act</i> (Presidential Decree No. 30514, 10 March 2020) Article 9-3 <i>Decree on the Establishment of the Korea National Open University</i> (Presidential Decree No. 30550, 31 March 2020) Articles 1 and 2 <i>Seoul Metropolitan Area Readjustment Planning Act</i> (Law No. 16810, 10 December 2019) Articles 7, 8, 9, and 18 <i>Enforcement Decree of the Seoul Metropolitan Area Readjustment Planning Act</i> (Presidential Decree No. 30545, 24 March 2020) Articles 3, 10, 11, 12, 13, and 14

29.	Sector	:	Education Services - Adult Education
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5)
	Description	:	<u>Trade in Services and Investment</u> The types of adult education institutions that a foreign person may establish in Korea are limited to: (a) <i>hag-won</i> (private teaching institutes for adults) related to lifelong and vocational education; and (b) no later than the date of entry into force of this Agreement, lifelong adult education facilities operated for the purposes other than recognising educational qualifications or conferring diplomas, which include: i. education facilities annexed to workplaces, non-governmental organisations, schools and media organisations; and ii. educational facilities related to the development of knowledge and human resources; all of which are established for adults. For the purposes of this entry, <i>hag-won</i> (private teaching institutes for adults) are facilities that provide tutoring services on subjects related to lifelong or vocational education to ten people or more for a period of 30 days or longer. A foreign national hired by a private teaching institute for adults as a lecturer must possess at least a bachelor's degree or the equivalent and reside in Korea. The establishment, extension, and transfer of the training facilities in Seoul Metropolitan Areas may be restricted. For transparency purposes, superintendent of provincial education offices may regulate tuition rates for <i>hag-won</i> on a non-discriminatory basis.
	Measure	:	<i>Act on the Establishment and Operation of Private Teaching Institutes and Extracurricular Lessons</i> (Law No. 15967, 18 December 2018) Articles 2, 2-2, and 13 <i>Enforcement Decree of the Establishment and Operation of Private Teaching Institutes and Extracurricular Lessons Act</i> (Presidential Decree No. 30547, 31 March 2020) Article 12 <i>Lifelong Education Act</i> (Law No. 16677, 3 December 2019) Articles 30, and 33 through 38 <i>Foreign Investment Promotion Act</i> (Law No. 16859, 31 December 2019) Article 4 <i>Regulations on Foreign Investment</i> (Notice of the Ministry of Trade, Industry, and Energy, No. 2018-137, 6 July 2018),

		Attached Table 1 <i>Seoul Metropolitan Area Readjustment Planning Act</i> (Law No. 16810, 10 December 2019) Articles 7, 8, 9, and 18 <i>Enforcement Decree of the Seoul Metropolitan Area Readjustment Planning Act</i> (Presidential Decree No.30545, 24 March 2020) Articles 3, and 10 through 14
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30.	Sector	:	Education Services - Vocational Competency Development Training Services
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies vocational competency development training services must establish an office in Korea.
	Measure	:	<i>Workers' Vocational Competency Development Act</i> (Law No. 17326, 26 May 2020) Articles 28, 32, and 36 <i>Enforcement Decree of the Workers' Vocational Competency Development Act</i> (Presidential Decree No. 30850, 14 July 2020) Articles 24 and 26 <i>Enforcement Regulations of the Workers' Vocational Competency Development Act</i> (Ordinance of the Ministry of Employment and Labor No. 288, 14 July 2020) Articles 12, 14, and 18

31.	Sector	:	Environmental Services - Waste Water Treatment Services, Waste Management Services, Air Pollution Treatment Services, Environmental Preventive Facilities Business, Environmental Impact Assessment, Soil Remediation and Groundwater Purification Services, and Toxic Chemical Control Services
	Level of Government		Central
	Obligation Concerned	:	Local Presence (Article 8.11)
	Description	:	<u>Trade in Services</u> A person that supplies the environmental services listed in the Sector heading must establish an office in Korea.
	Measure	:	<i>Water Environment Conservation Act</i> (Law No. 17326, 26 May 2020) Article 62 <i>Environmental Technology and Industry Support Act</i> (Law No. 17183, 31 March 2020) Article 15 <i>Soil Environment Conservation Act</i> (Law No. 16613, 26 November 2019) Article 23-7 <i>Groundwater Act</i> (Law No. 17326, 26 May 2020) Article 29-2 <i>Clean Air Conservation Act</i> (Law No. 16604, 26 November 2019) Article 68 <i>Environmental Impact Assessment Act</i> (Law No. 16617, 26 November 2019) Article 54 <i>Chemicals Control Act</i> (Law No. 17326, 26 May 2020) Article 28 <i>Wastes Control Act</i> (Law No. 16614, 26 November 2019) Article 25 <i>Enforcement Decree of the Wastes Control Act</i> (Presidential Decree No. 30684, 19 May 2020) Article 8

32.	Sector	:	Performance Services
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Article 8.4)
	Description	:	<u>Trade in Services</u> A foreign person who intends to engage in a public performance in Korea, or a person who intends to invite a foreign person to engage in a public performance in Korea must obtain a recommendation from the Korea Media Rating Board.
	Measure	:	<i>Public Performance Act</i> (Law No. 16588, 26 November 2019) Articles 6 and 7 <i>Enforcement Decree of the Public Performance Act</i> (Presidential Decree No. 29950, 2 July 2019) Articles 4 and 6 <i>Enforcement Regulations of the Public Performance Act</i> (Ordinance of the Ministry of Culture, Sports and Tourism No. 371, 7 October 2019) Article 4 <i>Enforcement Regulations of the Immigration Control Act</i> (Ordinance of the Ministry of Justice No. 963, 24 December 2019) Table 5

33.	Sector	:	News Agency (<i>News-tong-sin-sa</i>) Services
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Local Presence (Article 8.11) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> A <i>news-tong-sin-sa</i> (news agency) organised under foreign law may supply <i>news-tong-sin</i> (news communications) in Korea only under a contract with a news agency organised under Korean law which has a radio station licence, such as Yonhap News. The following persons may not supply news agency services in Korea: (a) a foreign government; (b) a foreign person; (c) an enterprise organised under Korean law whose <i>dae-pyo-ja</i> (for example, a chief executive officer, president, or similar principal senior officer) is not a Korean national or is a person not domiciled in Korea; or (d) an enterprise organised under Korean law in which a foreign person holds 25 per cent or more equity interest. The following persons may not serve as a <i>dae-pyo-ja</i> (for example, a chief executive officer, president, or similar principal senior officer) or editor of a news agency, or serve as <i>im-won</i> (a member of the board of directors) of Yonhap News or the News Agency Promotion Committee: (a) a foreign national; or (b) a Korean national not domiciled in Korea. A foreign news agency may establish a branch or office in Korea for the sole purpose of collecting news. For greater certainty, such branch or office may not distribute <i>news-tong-sin</i> (news communications) in Korea. The following persons may not obtain a radio station licence: (a) a foreign national; (b) a foreign government or its representative; or (c) an enterprise organised under foreign law.
	Measure	:	<i>Act on Promotion of News Communications</i> (Law No. 16052, 24 December 2018) Articles 7, 8, 9, 9-5, 16 and 28 <i>Enforcement Decree of the Act on Promotion of News Communications</i> (Presidential Decree No. 30059, 27 August 2019) Articles 4 and 10 <i>Radio Waves Act</i> (Law No. 16756, 10 December 2019) Article 20

34.	Sector	:	Manufacturing of Biological Products
	Level of Government		Central
	Obligation Concerned	:	Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Investment</u> A person who manufactures blood products must procure raw blood materials from a blood management body in Korea.
	Measure	:	<i>Pharmaceutical Affairs Act</i> (Law No. 17208, 7 April 2020) Article 42 <i>Regulations on Safety of Pharmaceuticals, Etc.</i> (Ordinance of the Prime Minister No. 1576, 6 December 2019) Article 11

35.	Sector	:	Distribution Services - Agriculture and Livestock
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5)
	Description	:	<u>Trade in Services and Investment</u> A foreign person may not hold 50 per cent or more of the shares or equity interest of an enterprise engaged in <i>yook-ryu</i> (meat) wholesaling. Only the Livestock Cooperatives under the <i>Agriculture Cooperative Act</i> may establish and manage a <i>ga-chook-sijang</i> (livestock market) in Korea. Only a local government may establish a <i>gong-yeong-domae-sijang</i> (public wholesale market). Only producers' organisations or public interest corporations prescribed in the <i>Enforcement Decree of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products</i> may establish a <i>gong-pan-jang</i> (joint wholesale market). For greater certainty, Articles 8.4 (National Treatment) and 8.5 (Market Access) do not prevent Korea from adopting or maintaining any measure with respect to the administration of the WTO Tariff-Rate-Quota.
	Measure	:	<i>Grain Management Act</i> (Law No. 16891, 29 January 2020) Article 12 <i>Livestock Industry Act</i> (Law No. 17099, 24 March 2020) Article 30 and 34 <i>Seed Industry Act</i> (Law No. 16789, 10 December 2019) Article 42 <i>Control of Livestock and Fish Feed Act</i> (Law No. 17091, 24 March 2020) Article 6 <i>Ginseng Industry Act</i> (Law No. 16101, 31 December 2018) Article 20 <i>Foreign Investment Promotion Act</i> (Law No. 16859, 31 December 2019) Article 4 <i>Enforcement Decree of the Foreign Investment Promotion Act</i> (Presidential Decree No. 30586, 31 March 2020) Article 5 <i>Regulations on Foreign Investment</i> (Notice of the Ministry of Trade, Industry, and Energy, No. 2018-137, 6 July 2018) Attached Table 2 <i>Act on Distribution and Price Stabilization of Agricultural and Fishery Products</i> (Law No. 17091, 24 March 2020) Articles 15, 17 and 43 <i>Notice on TRQ Products</i> (Ministry of Agriculture, Food and Rural Affairs Notice No. 2019-92, 31 December 2019)

36.	Sector	:	Energy Industry - Electric Power Generation Other Than Nuclear Power Generation; Electric Power Transmission, Distribution and Sales
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) ⁴
	Description	:	<u>Trade in Services and Investment</u> The aggregate foreign share of Korea Electric Power Corporation (KEPCO)'s issued stocks may not exceed 40 per cent. A foreign person may not become the largest shareholder of KEPCO. The aggregate foreign share of power generation facilities, including cogeneration facilities of heat and power (GHP) for the district heating system (DHS), may not exceed 30 per cent of the total facilities in the territory of Korea. The aggregate foreign share of electric power transmission, distribution and sales businesses should be less than 50 per cent. A foreign person may not be the largest shareholder.
	Measure	:	<i>Financial Investment Services and Capital Markets Act</i> (Law No. 17219, 7 April 2020) Article 168 <i>Enforcement Decree of Financial Investment Services and Capital Markets Act</i> (Presidential Decree No. 30525, 10 March 2020) Article 187 <i>Foreign Investment Promotion Act</i> (Law No. 16859, 31 December 2019) Articles 4 and 5 <i>Enforcement Decree of the Foreign Investment Promotion Act</i> (Presidential Decree No. 30586, 31 March 2020) Article 5 <i>Regulations on Foreign Investment</i> (No. 2018-137, 6 July 2018, Ministry of Trade, Industry and Energy) Attached Table 1, 2 <i>Designation of Public Corporation (Notice of Ministry of Finance and Economy, No. 2000-17, 28 September 2000)</i> <i>Financial Investment Service Regulations</i> (Financial Services Commission Notice No. 2019-8, 20 March 2019) Article 6-2

⁴ Paragraph (a) of the 12th entry of List B does not apply to this entry.

37.	Sector	:	Energy Industry - Gas Industry
	Level of Government		Central
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) ⁵
	Description	:	<u>Trade in Services and Investment</u> Foreign persons, in the aggregate, may not own more than 30 per cent of the equity of Korea Gas Corporation (KOGAS).
	Measure	:	<i>Act on the Improvement of Managerial Structure and Privatization of Public Enterprises</i> (Law No. 17131, 31 March 2020) Article 19 <i>Financial Investment Services and Capital Markets Act</i> (Law No. 17219, 7 April 2020) Article 168 <i>Foreign Investment Promotion Act</i> (Law No. 16859, 31 December 2019) Articles 4 and 5 <i>Articles of Incorporation of the Korea Gas Corporation</i> (3 July 2019) Article 11

⁵ Paragraph (a) of the 12th entry of List B does not apply to this entry.

LIST B

EXPLANATORY NOTES

1. This List sets out, pursuant to Article 8.8 (Schedules of Non-Conforming Measures) and Article 10.8 (Reservations and Non-Conforming Measures), the specific sectors, subsectors, or activities for which that Korea may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 8.4 (National Treatment) or 10.3 (National Treatment);
 - (b) Article 8.5 (Market Access);
 - (c) Article 8.6 (Most-Favoured-Nation Treatment) or 10.4 (Most-Favoured-Nation Treatment);
 - (d) Article 8.11 (Local Presence);
 - (e) Article 10.6 (Prohibition of Performance Requirements); or
 - (f) Article 10.7 (Senior Management and Board of Directors).
2. Each List entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Obligations Concerned** specifies the Articles referred to in paragraph 1 that, pursuant to paragraph 2 of Article 8.8 (Schedules of Non-Conforming Measures) and paragraph 2 of Article 10.8 (Reservations and Non-Conforming Measures), do not apply to the sectors, subsectors, or activities scheduled in the entry;
 - (c) **Description** sets out the scope of the sectors, subsectors, or activities covered by the entry; and
 - (d) **Existing Measures** identifies, for transparency purposes, existing measures that apply to the sectors, subsectors, or activities covered by the entry.
3. In accordance with paragraph 2 of Article 8.8 (Schedules of Non-Conforming Measures) and paragraph 2 of Article 10.8 (Reservations and Non-Conforming Measures), the Articles of this Agreement specified in the Obligations Concerned element of an entry do not apply to the sectors, subsectors, and activities identified in the Description element of that entry.
4. For Korea, **foreign person** means a foreign national or an enterprise organised under the laws of another country.
5. For greater certainty, Article 8.11 (Local Presence) and Article 8.4 (National Treatment) are separate disciplines and a measure that is only inconsistent with Article 8.11 (Local Presence) need not be reserved against Article 8.4 (National Treatment).

1.	Sector	:	All Sectors
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt, with respect to the establishment or acquisition of an investment, any measure that is necessary for the maintenance of public order pursuant to Article 4 of the <i>Foreign Investment Promotion Act</i> and Article 5 of the <i>Enforcement Decree of the Foreign Investment Promotion Act</i>, provided that the measure: (a) is applied in accordance with the procedural requirements set out in the <i>Foreign Investment Promotion Act</i>, <i>Enforcement Decree of the Foreign Investment Promotion Act</i>, and other applicable law; (b) is adopted or maintained only where the investment poses a genuine and sufficiently serious threat to the fundamental interests of society; (c) is not applied in an arbitrary or unjustifiable manner; (d) does not constitute a disguised restriction on investment; and (e) is proportional to the objective it seeks to achieve.
	Existing Measures	:	<i>Foreign Investment Promotion Act</i> <i>Enforcement Decree of the Foreign Investment Promotion Act</i>

2.	Sector	:	All Sectors
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the transfer or disposition of equity interests or assets held by state enterprises or governmental authorities. This entry does not apply to former private enterprises that are owned by the state as a result of corporate reorganisation processes. For the purposes of this entry, a state enterprise shall include any enterprise created for the sole purpose of selling or disposing of equity interests or assets of state enterprise or governmental authorities. <u>Trade in Services and Investment</u> Without prejudice to Korea's commitments undertaken in List A and List B, Korea reserves the right to adopt or maintain any measure with respect to the transfer to the private sector of all or any portion of services provided in the exercise of governmental authority.
	Existing Measures	:	<i>Financial Investment Services and Capital Markets Act</i>

3.	Sector	:	All sectors
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the defence industry.
	Existing Measures	:	<i>Foreign Investment Promotion Act</i> <i>Defense Acquisition Program Act</i>

4.	Sector	:	All sectors
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the critical technology, which is defined in <i>Act on Prevention of Divulgence and Protection of Industrial Technology</i> .
	Existing Measures	:	<i>Act on Prevention of Divulgence and Protection of Industrial Technology</i> <i>Enforcement Decree of the Act on Prevention of Divulgence and Protection of Industrial Technology</i> <i>Foreign Investment Promotion Act</i> <i>Enforcement Decree of the Foreign Investment Promotion Act</i>

5.	Sector	:	All sectors
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure relating to investment or the supply of services in industries other than those recognised or other than those that should have been recognised by the Government of Korea owing to the circumstances as of the date of entry into force of this Agreement. Any services classified positively and explicitly in Korea Standard Industry Code (KSIC) or Central Product Classification (CPC), as of the date of entry into force of this Agreement should have been recognised by the Government of Korea at that time. Korea reserves the right to adopt or maintain any measure relating to investment or the supply of services in industries which were not technically feasible as of the date of entry into force of this Agreement.
	Existing Measures	:	-

6.	Sector	:	All sectors
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the supply of service by the presence of natural persons, or other movement of natural persons, including immigration, temporary entry or temporary stay, subject to the provisions of Chapter 9 (Temporary Movement of Natural Persons).
	Existing Measures	:	-

7.	Sector	:	Acquisition of Land
	Obligation Concerned	:	National Treatment (Article 10.3)
	Description	:	<u>Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the acquisition of land by foreign persons, except that a juridical person shall continue to be permitted to acquire land where the juridical person: 1. is not deemed foreign under Article 2 of the <i>Act on Report on Real Estate Transactions, Etc.</i>; and 2. is deemed foreign under the <i>Act on Report on Real Estate Transactions, Etc.</i> or is a branch of a foreign juridical person subject to approval or notification in accordance with the <i>Act on Report on Real Estate Transactions, Etc.</i>, if the land is to be used for any of the following legitimate business purposes: (a) land used for ordinary business activities; (b) land used for housing for senior management; and (c) land used for fulfilling land-holding requirements stipulated by pertinent laws. Korea reserves the right to adopt or maintain any measure with respect to the acquisition of farmland by foreign persons.
	Existing Measures	:	<i>Act on Report on Real Estate Transactions, Etc.</i> <i>Farmland Act</i>

8.	Sector	:	Firearms, Swords, Explosives, and Similar Items
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the firearms, swords, explosives, gas sprays, electric shocks, and crossbows sector, including the manufacture, use, sale, storage, transport, import, export, and possession of firearms, swords, explosives, gas sprays, electric shocks, and crossbows.
	Existing Measures	:	-

9.	Sector	:	Disadvantaged Groups
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure that accords rights or preferences to socially or economically disadvantaged groups, such as the disabled, persons who have rendered distinguished services to the state, and ethnic minorities.
	Existing Measures	:	-

10.	Sector	:	State-Owned National Electronic Information System
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure affecting the administration and operation of any state-owned electronic information system that contains proprietary government information or information gathered pursuant to the regulatory functions and powers of the government.
	Existing Measures	:	-

11.	Sector	:	Social Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the provision of law enforcement and correctional services, and the following services to the extent that they are social services established or maintained for public purposes: income security or insurance, social security or insurance, social welfare, public training, public utilities, public transport, public housing, health, and child care.
	Existing Measures	:	-

12.	Sector	:	All Sectors (not including Financial Services)
	Obligation Concerned	:	Market Access (Article 8.5)
	Description	:	<u>Trade in Services</u> Korea reserves the right to adopt or maintain any measure that is not inconsistent with Korea's obligations under Article XVI of GATS as set out in Korea's Schedule of Specific Commitments under the GATS (GATS/SC/48, GATS/SC/48/Suppl.1, GATS/SC/48/Suppl.1/Rev.1, GATS/SC/48/Suppl.2, GATS/SC/48/Suppl.3, and GATS/SC/48/Suppl.3/Rev.1). For the purposes of this entry only, Korea's Schedule of Specific Commitments under the GATS is subject to the following modifications: (a) for any sector and subsector with regard to which List A contains an entry (other than an entry with regard to "All Sectors") that does not list Market Access as one in the Obligations Concerned element, "None" is inscribed in the Market Access column for modes 1, 2, and 3, and "Unbound except as indicated in the Horizontal commitments section" is inscribed for mode 4; (b) for any sector and subsector with regard to which List A contains an entry (other than an entry with regard to "All Sectors") that lists a limitation to the Market Access obligation, that limitation is inscribed in the Market Access column with regard to the appropriate mode of supply; and (c) for any sector and subsector listed in Appendix A, Korea's Schedule of Specific Commitments under the GATS is modified as indicated in the Appendix A. These modifications shall not affect any limitation relating to subparagraph 2(f) of of Article XVI of GATS inscribed in the Market Access column of Korea's Schedule of Specific Commitments under the GATS. For greater certainty, an entry of "None" in the Market Access column of Korea's Schedule of Specific Commitments under the GATS shall not be construed to alter the application of Article 8.11 (Local Presence) as modified by Article 8.8 (Schedules of Non-Conforming Measures).
	Existing Measures	:	-

13.	Sector	:	All Sectors
	Obligation Concerned	:	Most-Favoured-Nation Treatment (Articles 8.6 and 10.4)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force or signed prior to the date of entry into force of this Agreement⁶. Korea reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force or signed after the date of entry into force of this Agreement involving: (a) aviation; (b) fisheries; (c) maritime matters, including salvage; (d) railroad transportation; or (e) telecommunications.
	Existing Measures	:	-

⁶ For greater certainty, this right extends to any differential treatment accorded pursuant to a subsequent review or amendment of the relevant bilateral or multilateral international agreement.

14.	Sector	:	Environmental Services - Treatment and Supply Services for Potable Water; Collection and Treatment Services for Municipal Sewage; Collection, Transportation, and Disposal Services for Municipal Refuse; Sanitation and Similar Services; Nature and Landscape Protection Services (except for Environmental Impact Assessment Services)
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the following environmental services: treatment and supply of potable water; collection and treatment of municipal sewage; collection, transportation, and disposal of municipal refuse; sanitation and similar services; and nature and landscape protection services (except for environmental impact assessment services). This entry shall not apply to the supply of the aforementioned services pursuant to a contract between private parties, to the extent that private supply of such services is permitted under relevant laws and regulations.
	Existing Measures	:	-

15.	Sector	:	Atomic Energy - Nuclear Power Generation; Manufacturing and Supply of Nuclear Fuel; Nuclear Materials; Radioactive Waste Treatment and Disposal (including treatment and disposal of spent and irradiated nuclear fuel); Radioisotope and Radiation Generation Facilities; Monitoring Services for Radiation; Services Related to Nuclear Energy; Planning, Maintenance, and Repair Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the atomic energy industry.
	Existing Measures	:	-

16.	Sector	:	Energy Services - Electric Power Generation other than Nuclear Power Generation; Electric Power Transmission, Distribution, and Sales; Electricity Business
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to electric power generation, transmission, distribution, and sales. Any such measure shall not decrease the level of foreign ownership permitted in the electric power industry as provided by the entry in List A related to Energy Industry (electric power). Notwithstanding this entry, Korea shall not adopt or maintain any measure inconsistent with subparagraph 1(f) of Article 10.6 (Prohibition of Performance Requirements).
	Existing Measures	:	-

17.	Sector	:	Energy Services - Gas Industry
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the import and wholesale distribution of natural gas and the operation of terminals and the national high pressure pipeline network. Any such measure shall not decrease the level of foreign ownership permitted in the gas industry as provided by the entry in List A related to Energy Industry (gas industry).
	Existing Measures	:	-

18.	Sector	:	Distribution Services - Commission Agents' Services, Wholesaling and Retailing of Agricultural Raw Materials and Live Animals (<i>nong chuk san mul</i>)
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to: (a) commission agents' services of agricultural raw materials, live animals, food products, beverage; (b) wholesaling (including importation) services of grain, meat, poultry, grain powder, ginseng, red ginseng, fertilisers; and (c) retailing services of rice, ginseng and red ginseng.
	Existing Measures	:	-

19.	Sector	:	Transportation Services – Road Transportation Services (not including Freight Road Transportation Services Related to Courier Services)
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to road transportation services, not including road transportation of containerised freight (excluding cabotage) by international shipping companies and road transportation services related to courier services.
	Existing Measures	:	-

20.	Sector	:	Transportation Services - Internal Waterways Transportation Services and Space Transportation Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to internal waterways transportation services and space transportation services.
	Existing Measures	:	-

21.	Sector	:	Transportation Services - Storage and Warehousing Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to storage and warehousing services related to agricultural, fisheries and livestock products.
	Existing Measures	:	-

22.	Sector	:	Communication Services - Non-monopoly Postal Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the Minister of Science and ICT not needing authorisation from the Minister of Land, Infrastructure and Transport in determining the total number of vehicles that may belong to the Ministry of Science and ICT and allocating the vehicles to postal offices. The Korean Postal Authority reserves exclusive rights for collecting, processing and delivering domestic and international letters. The exclusive rights of the Korean Postal Authority include the right of access to its postal network and operation thereof.
	Existing Measures	:	<i>Postal Service Act</i> <i>Regulations on Management of Common-Purpose Motor Vehicles</i> <i>Foreign Investment Promotion Act</i>

23.	Sector	:	Communication Services - Broadcasting Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure relating to broadcasting services.
	Existing Measures	:	-

24.	Sector	:	Communication Services - Broadcasting and Telecommunications Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to subscription-based video services. For the purposes of this entry, subscription-based video services means subscription-based video services that are supplied to end-users over any type of transmission network and includes Internet Protocol-based Television (IPTV), Interactive Broadcasting and Over-the-top Content Services.
	Existing Measures	:	<i>Internet Multimedia Broadcasting Act</i> <i>Enforcement Decree of the Internet Multimedia Broadcasting Act</i>

25.	Sector	:	Communication Services - Broadcasting and Audio-Visual Services
	Obligation Concerned	:	Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any preferential co-production arrangement for film or television productions. Official co-production status, which may be granted to a co-production produced under such a co-production arrangement, confers national treatment on works covered by a co-production arrangement.
	Existing Measures	:	<i>Promotion of the Motion Pictures and Video Products Act</i> <i>Notice on Programming</i>

26.	Sector	:	Communication Services - Broadcasting and Audio-Visual Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure setting criteria for determining whether broadcasting or audio-visual programmes are Korean.
	Existing Measures	:	<i>Promotion of the Motion Pictures and Video Products Act</i> <i>Enforcement Decree of Promotion of the Motion Pictures and Video Products Act</i> <i>Enforcement Regulations of Promotion of the Motion Pictures and Video Products Act</i> <i>Notice on Programming</i>

27.	Sector	:	Business Services - Real Estate Services (not including Real Estate Brokerage and Appraisal Services)
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to real estate development, supply, management, sale, and rental services, except for brokerage and appraisal services.
	Existing Measures	:	-

28.	Sector	:	Business Services - Insolvency and Receivership Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to insolvency and receivership services. Korea reserves the right to adopt or maintain any measure with respect to corporate restructuring services, including corporate restructuring companies, corporate restructuring partnerships, and corporate restructuring vehicles.
	Existing Measures	:	-

29.	Sector	:	Digital Audio or Video Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt any measure to ensure that, upon a finding by the Government of Korea that Korean digital audio or video content or genres thereof is not readily available to Korean consumers, access to such content is not unreasonably denied to Korean consumers. With respect to digital audio or video services targeted at Korean consumers, Korea reserves the right to adopt any measure to promote the availability of such content. For the purposes of this entry, digital audio or video service means a service that provides streaming audio content, films or other video downloads or streaming video content regardless of the type of transmission (including through the Internet), but does not include broadcasting services as defined by the <i>Broadcasting Act</i> as of the date of entry into force of this Agreement or subscription-based video services as defined in the Communications Services – Broadcasting and Telecommunications Services entry in List B.
	Existing Measures	:	<i>Content Industry Promotion Act</i>

30.	Sector	:	Business Services - Cadastral Surveying Services and Cadastral Map-Making Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to cadastral surveying services and cadastral map related services.
	Existing Measures	:	-

31.	Sector	:	Business and Environmental Services - Examination, Certification, and Classification of Agricultural Raw Materials and Live Animals (<i>nong chuk san mul</i>)
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to examination, certification, and classification of agricultural raw materials and live animal products.
	Existing Measures	:	-

32.	Sector	:	Business Services - Services Incidental to Agriculture, Hunting, Forestry, and Fishing
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to services incidental to agriculture, forestry, and livestock, including genetic improvement, artificial insemination, rice and barley polishing, and activities related to a rice processing complex. Korea reserves the right to adopt or maintain any measure with respect to the supply of services incidental to agriculture, hunting, forestry, and fishing by the Agricultural Cooperatives, the Forestry Cooperatives, and the Fisheries Cooperatives.
	Existing Measures	:	-

33.	Sector	:	Fishing
	Obligation Concerned	:	National Treatment (Article 10.3)
	Description	:	<u>Investment</u> Korea reserves the right to adopt or maintain any measure with respect to fishing activities in Korea's territorial waters and Exclusive Economic Zone.
	Existing Measures	:	-

34.	Sector	:	Publishing of Newspapers and Periodicals
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Local Presence (Article 8.11) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the publishing (including printing and distribution) of newspapers and periodicals.
	Existing Measures	:	<i>Act on the Promotion of Newspapers, Etc.</i> <i>Enforcement Decree of the Act on the Promotion of Newspapers, Etc.</i> <i>Act on Promotion of Periodicals, including Magazines</i> <i>Enforcement Decree of the Act on Promotion of Periodicals, including Magazines</i>

35.	Sector	:	Education Services - Pre-Primary, Primary, Secondary, Higher, Adult and Other Education
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to pre-primary, primary, and secondary education; health and medicine-related higher education; higher education for prospective pre-primary, primary, and secondary teachers; professional graduate education in law; distance education at all education levels (except adult education services other than health and medicine-related adult education services, provided that such services do not confer academic credit, diplomas, or degrees); and other education services.
	Existing Measures	:	-

36.	Sector	:	Social Services - Human Health Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure ⁷ with respect to human health services.
	Existing Measures	:	-

⁷ For greater certainty, this includes measures for the protection of personal information with respect to human health services, including, *inter alia*, drug dispensing services.

37.	Sector	:	Audiovisual Services - Motion Picture Promotion, Projection, Advertising, or Post-Production Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to motion picture promotion, projection, advertising, or post-production services.
	Existing Measures	:	-

38.	Sector	:	Other Recreational Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to tourism in rural, fishery, and agricultural sites.
	Existing Measures	:	-

39.	Sector	:	Gambling and Betting Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition on Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to gambling and betting services. For greater certainty, “gambling and betting” includes such services supplied through electronic transmission and services that use <i>sa-haeng-seong-ge-im-mul</i>. “<i>Sa-haeng-seong-ge-im-mul</i>”, as defined in Article 2 of Korea’s <i>Game Industry Promotion Act</i>, includes, <i>inter alia</i>, gaming instruments which result in financial loss or gain through betting or by chance.
	Existing Measures	:	<i>Tourism Promotion Act</i> <i>Special Act on the Assistance to the Development of Abandoned Mine Areas</i> <i>National Sports Promotion Act</i> <i>Enforcement Decree of the National Sports Promotion Act</i> <i>Korea Racing Association Act</i> <i>Traditional Bull Fighting Act</i> <i>Bicycle and Motorboat Racing Act</i> <i>Game Industry Promotion Act</i> <i>Act on Special Cases concerning Regulation and Punishment of Speculative Acts, Etc.</i> <i>National Gambling Control Commission Act</i> <i>Enforcement Decree of National Gambling Control Commission Act</i>

40.	Sector	:	Recreational, Cultural, and Sporting Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to recreational, cultural, and sporting services. Korea reserves the right to adopt or maintain any measure with respect to the conservation and restoration of cultural heritage and properties, including the excavation, inspection, appraisal, dealing, or maintenance of cultural heritage and properties. Korea shall ensure that this entry is not inconsistent with the Performance Services and News Agency (<i>News-tong-sin-sa</i>) Services entries in List A.
	Existing Measures	:	<i>Cultural Heritage Protection Act</i> <i>Act on Protection and Inspection of Buried Cultural Heritage</i> <i>Act on Cultural Heritage Maintenance, Etc.</i>

41.	Sector	:	Legal Services - Foreign Legal Consultants
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> 1. Korea reserves the right to adopt or maintain any measures including: (a) restrictions on certification, approval, registration, admission, and supervision of, and any other requirements with respect to, foreign country-licensed lawyers or foreign law firms supplying any type of legal services in Korea; (b) restrictions on foreign country-licensed lawyers or foreign law firms entering into partnerships, commercial associations, affiliations, or any other type of relationship regardless of legal form, with <i>byeon-ho-sa</i> (Korean-licensed lawyers), Korean law firms, <i>beop-mu-sa</i> (Korean-certified judicial scriveners), <i>byeon-ri-sa</i> (Korean-licensed patent attorneys), <i>gong-in-hoe-gye-sa</i> (Korean-certified public accountants), <i>se-mu-sa</i> (Korean-certified tax accountants), or <i>gwan-se-sa</i> (Korean customs brokers); (c) restrictions on foreign country-licensed lawyers or foreign law firms hiring <i>byeon-ho-sa</i> (Korean-licensed lawyers), <i>beop-mu-sa</i> (Korean-certified judicial scriveners), <i>byeon-ri-sa</i> (Korean-licensed patent attorneys), <i>gong-in-hoe-gye-sa</i> (Korean-certified public accountants), <i>se-mu-sa</i> (Korean certified tax accountants), or <i>gwan-se-sa</i> (Korean customs brokers) in Korea; and, (d) restrictions on senior management and the board of directors of legal entities supplying foreign legal consulting services, including with respect to the chairman. 2. Notwithstanding paragraph 1, Korea shall allow, subject to certain requirements consistent with this Agreement, each Party's law firms to establish representative offices (Foreign Legal Consultant (FLC) offices) in Korea and attorneys licensed in each Party to provide legal advisory services on laws of the jurisdiction where they are licensed and public international law as FLCs in Korea. However, they shall not be engaged in: (a) representation for juridical or statutory procedures in courts and other government agencies as well as preparation of legal documents for such procedures; (b) legal representation for the entrustment of the preparation of notarial deeds;

			(c) activities concerning labour affairs consulting services or a legal case whose objective is the acquisition or loss or change of rights concerning real property in Korea, intellectual property rights, mining rights or other rights arising upon registration thereof with government agencies in Korea; and (d) activities in legal cases concerning family relations or inheritance, in which a Korean national is involved as a party or the property concerned is located in Korea. For transparency purposes: (a) A foreign lawyer who wishes to practice law as a FLC in Korea must be approved by the Minister of Justice, must register with the Korean Bar Association, must have practiced law for at least three years in the jurisdiction where he or she is qualified as a lawyer, and must be in good standing of the legal profession in the jurisdiction. (b) Permission of the Minister of Justice is required for the establishment of a representative office in Korea. The representative office consists of a FLC or FLCs approved by the Minister of Justice. It must have credibility and expertise, and sufficient capability to compensate for damages caused to the client, if any. The chief of the representative office must have practiced law for at least five years, including three years in the jurisdiction of his or her qualification. (c) A representative office can conduct profit-making activities provided that such presence in Korea maintains proper business plans and financial bases and must observe the <i>Foreign Legal Consultant Act</i>, its presidential decree and enforcement rule. (d) For the purpose of this entry, only the law firm which is organised under relevant law of each Party and headquartered in each Party can establish its representative office in Korea. Any type of subordinate or dependent legal entity, including a branch, a local office, a subsidiary or a joint-venture firm of the law firm of a non-Party shall not be permitted to establish its representative office in Korea. For the purposes of this entry, each Party's law firm means a law firm organised under each Party's laws and headquartered in each Party. 3. For greater certainty, (a) foreign lawyers are permitted temporary practice of and representation in international arbitration case without registering as FLC in Korea, provided that their period of stay is less than 90 days in any given calendar year. International arbitration case means a civil or
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			commercial arbitration case for which Korea is the place of arbitration and to which statutes of a country other than Korea, a treaty concluded between Korea and a foreign country, a treaty among countries other than Korea or generally-accepted customary international law is or can be applied. (b) Use of firm name is permitted, provided that it is used with reference to "Foreign legal consultants' office" in Korean.
	Existing Measures	:	-

42.	Sector	:	Professional Services - Foreign Certified Public Accountants
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to public accountancy services. Foreign public accountants intending to provide accountancy services in Korea must be domestically licensed and registered under the <i>Certified Public Accountant Act</i> . Their offices must be established within Korea. A Korean accounting firm or office may, by paying an annual membership fee, acquire membership to international accounting organisations which have world-wide business networks. The following services may be supplied to a Korean accounting firm or office through a membership contract: consultancy for foreign accounting standards and auditing, training of Certified Public Accountants (CPAs), transfer of auditing technology, and exchange of information.
	Existing Measures	:	-

43.	Sector	:	Professional Services - Foreign Certified Tax Accountants
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measures with respect to <i>se-mu-sa</i> (Korean-certified tax accountants) services including those concerning ownership, partnership, nationality of executives and directors and the scope of services to be provided. Foreign-certified tax accountants intending to provide <i>se-mu-sa</i> (Korean-certified tax accountants) services in Korea must be domestically licensed and registered under the <i>Certified Tax Accountant Act</i> . Their offices must be established within Korea.
	Existing Measures	:	-

44.	Sector	:	Veterinary Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to veterinary services.
	Existing Measures	:	-

45.	Sector	:	Other Professional Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to other professional services, including labour affairs consulting services, patent attorney (<i>byeon-ri-sa</i>) services, and customs clearance services.
	Existing Measures	:	-

46.	Sector	:	Business Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the exportation and re-exportation of controlled commodities, software, and technology. Only persons residing in Korea may apply for a licence to export or re-export such commodities, software, or technology.
	Existing Measures	:	-

47.	Sector	:	Transportation Services - Maritime Passenger Transportation and Maritime Cabotage
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to the provision of international maritime passenger transportation services, maritime cabotage, and the operation of Korean vessels, including the following measures: A person that supplies international maritime passenger transportation services must obtain a licence from the Minister of Oceans and Fisheries, which is subject to an economic needs test. Maritime cabotage is reserved for Korean vessels. Maritime cabotage includes maritime transportation between harbours located along the entire Korean peninsula and any adjacent islands. Korean vessel means: (a) a vessel owned by the Korean government, a state enterprise, or an institution established under the Ministry of Oceans and Fisheries; (b) a vessel owned by a Korean national; (c) a vessel owned by an enterprise organised under the Korean Commercial Code; (d) a vessel owned by an enterprise organised under foreign law that has its principal office in Korea and whose <i>dae-pyo-ja</i> (for example, a chief executive officer, president, or similar principal senior officer) is a Korean national. In the event there is more than one, all <i>dae-pyo-ja</i> must be Korean nationals. For greater certainty, measures relating to the landside aspects of port activities are subject to the application of Article 10.15 (Security Exceptions).
	Existing Measures	:	-

48.	Sector	:	Air Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Local Presence (Article 8.11) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure with respect to air services except aircraft repair and maintenance services, computer reservation system services and the selling and marketing of air transport services.
	Existing Measures	:	-

49.	Sector	:	Manufacturing of Liquor
	Obligation Concerned	:	Prohibition of Performance Requirements (Article 10.6)
	Description	:	<u>Investment</u> Korea reserves the right to adopt or maintain any measure with respect to manufacturing of liquor.
	Existing Measures	:	-

50.	Sector	:	Financial Services
	Obligation Concerned	:	National Treatment (Articles 8.4 and 10.3) Market Access (Article 8.5) Most-Favoured-Nation Treatment (Articles 8.6 and 10.4) Prohibition of Performance Requirements (Article 10.6) Senior Management and Board of Directors (Article 10.7)
	Description	:	<u>Trade in Services and Investment</u> Korea reserves the right to adopt or maintain any measure affecting the supply of financial services with respect to all obligations concerned, except as specified in Appendix B.
	Existing Measures	:	-

APPENDIX A

For the following Sectors, Korea's obligations under Article XVI of GATS as set out in Korea's Schedule of Specific Commitments under the GATS(GATS/SC/48, GATS/SC/48/Suppl.1, GATS/SC/48/Suppl.1/Rev.1, GATS/SC/48/Suppl.2, GATS/SC/48/Suppl.3, and GATS/SC/48/Suppl.3/Rev.1) are improved as described.

Sector or Sub-sector	Market Access Improvements
Research and Development Services: a. Research and development services on natural sciences b. Research and development services on social sciences and humanities c. Interdisciplinary research and development services	Insert new commitments with "None" for modes 1 and 2, "Unbound" for mode 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4 Modify mode 1 and 2 limitations from "Unbound" to "None" Insert new commitments with "None" for modes 1 and 2, "Unbound" for mode 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4
Market research and public opinion polling services	Modify mode 1 and 2 limitations from "Unbound" to "None"
Services incidental to mining	Modify mode 1 and 2 limitations from "Unbound" to "None"
Packaging services	Modify mode 1 and 2 limitations from "Unbound" to "None"
Tourism and travel related services: a. Beverage serving services without entertainment Excluding rail and air transport related facilities in beverage serving services without entertainment b. Tour operator services c. Tourist Guides Services	Insert new commitments with "Unbound*" for mode 1, "None" for mode 2 and 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4 Insert new commitments with "None" for mode 1, 2 and 3 and "Unbound except as indicated in the Horizontal Commitments section" for mode 4 Modify mode 3 from "Only travel agencies are allowed to supply tourist guide services" to "None"
Recreational, Cultural and Sporting Services D. Others	Insert new commitments with "Unbound" for mode 1, "None" for modes 2 and 3, "Unbound except as indicated in the Horizontal Commitments section" for mode 4

- Game Services (CPC 964**)	
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APPENDIX B
SCHEDULE OF SPECIFIC COMMITMENTS FOR FINANCIAL SERVICES
KOREA

EXPLANATORY NOTES

1. All the commitments in this Appendix are subject to entry requirements, domestic laws, regulations, rules, guidelines, terms and conditions of the Financial Services Commission (FSC) or any other relevant regulatory authorities in Korea, which are consistent with Article VI of GATS and paragraph 2 of the Annex on Financial Services of GATS.
2. Financial sectors are basically re-classified according to the category of the Annex 8A (Financial Services). Therefore the order of subsectors is different from that of the commitment in GATS/SC/48/Suppl.3/Rev.1.
3. Specific statements in the subsectors apply only to existing domestic financial services.
4. All financial services are subject to the following provisions.
 - (a) For prudential reasons within the context of the Annex 8A (Financial Services), Korea shall not be prevented from taking measures including requirements related to parent companies, the minimum capital requirement, minimum operating funds requirement, business worker's licence and approval for business activities.
 - (b) A financial institution must be established for only one business defined in related law and thus cannot engage in other business activities regulated by other relevant laws.
 - (c) Cross-border supply of financial services and supply through consumer movement may not be settled in Korean currency. After the establishment of a commercial presence, financial institutions may handle only transactions, denominated and settled in Korean currency, with residents. Approval is required for transactions denominated or settled in foreign currency or transactions with non-residents.
 - (d) Assets owned by branches must be kept within the territory of Korea. Capital of the head office is not recognised as the basis for determining the extent of funding and lending activities of domestic branches.
 - (e) Demand deposit interest rates are regulated.
 - (f) The management and operation of assets of a financial institution are restricted.
 - (g) A financial institution may not own non-business real estate.
 - (h) Introduction of new financial products including derivatives is subject to approval.

Modes of Supply:		1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
A. Insurance and Insurance-related Services				
<u>Direct Insurance</u>				
a) Life insurance services Including accident and health insurance services		(1) Unbound (2) Unbound (3) Commercial presence is permitted only to foreign life insurance companies. Top executive personnel of each establishment must reside in Korea.	(1) Unbound (2) Unbound (3) None	
b) Non-life insurance services		(1) Unbound except for marine export or import cargo and aviation insurance. (2) Unbound (3) Commercial presence is permitted only to foreign non-life insurance companies. Top executive personnel of each establishment must reside in Korea.	(1) Unbound (2) Unbound (3) None	
c) Reinsurance and retrocession		(1) None (2) None (3) Commercial presence is permitted only to foreign reinsurance and retrocession insurance companies. Top executive personnel of each establishment must reside in Korea.	(1) None (2) None (3) None	

Modes of Supply:		1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
d) Insurance broking and agency services: - Brokerage		(1) Unbound (2) Unbound (3) Commercial presence is permitted only to foreign insurance brokerage companies. Top executive personnel of each establishment must reside in Korea.	(1) Unbound (2) Unbound (3) None	
- Agency		(1) Unbound (2) Unbound (3) None	(1) Unbound (2) Unbound (3) None	
Services auxiliary to insurance: applicable only to following subsectors): - Claim settlement and adjustment services ⁸ - Actuarial services		(1) None (2) Unbound (3) Commercial presence is permitted only to foreign claim settlement and adjustment companies and actuarial companies. Top executive personnel of each establishment must reside in Korea.	(1) None (2) None (3) None	

⁸ Activities of assessing and adjusting the loss and the amount payable.

Modes of Supply:		1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. Banking and other Financial services (excl. insurance)				
a) Deposit ⁹		(1) Unbound	(1) Unbound	
b) Lending ¹⁰		(2) Unbound	(2) Unbound	
c) Financial leasing		(3) Commercial presence is permitted only to foreign financial institutions (except for financial leasing) which deal with the same services in their country of origin.	(3) None	
d) Payment and Money transmission		A person may own up to 10 per cent of the stocks of a bank (up to 4 per cent in case of non-financial service business entity) and 15 per cent of the stocks of a provincial bank without the special authorisation of the relevant authorities¹¹. A person can own up to 100 per cent of a bank and a provincial bank with the special authorisation of the relevant authorities. Foreign exchange position is regulated. The oversold position of spot foreign exchange is US\$ 5		

⁹ Activities in which banks obtain funds from the public by receiving deposits or issuing transferable instruments or other securities.

¹⁰ Activities in which banks provide funds to the public in order to receive interest via loans or bill discounts.

¹¹ "A person" and "non-financial service business entity" are defined in accordance with the relevant provision of the *Presidential Decree of the Bank Act*.

Modes of Supply:	1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	million, or 3 per cent of capital (whichever is greatest).		

Modes of Supply:		1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
e) Guarantees and commitments		Deposit for specific purpose, such as housing subscription deposit, may be handled only by designated institutions. Securities savings and credit granting are subject to restriction of ceiling and operation. Lending to credit card members through such means as card loans is subject to limitation. For credit card services, maximum limits are applied to various rates such as fees and interest rates. The maturity of CDs shall be more than 30 days. Underlying transaction and documentation requirements apply to foreign exchange transactions. Underlying documentation requirements are exempt in the case of forward transactions. Mandatory lending to small-and-medium sized companies is required. Foreign currency loans are restricted with respect to ceiling and uses. Top executive personnel of financial leasing, credit granting		
f) Foreign exchange services ¹²				
g) Settlement and clearing ¹³				

¹² Activities of issuance, remittance and collection of foreign exchange.

¹³ Activities of settlement and clearing of notes, bills and cheques by banks according to the Article of KFTCI (Korea Financial Telecommunications and Clearings Institute).

Modes of Supply:	1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	and security savings companies must reside in Korea.		

Modes of Supply:		1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
h) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise applicable only to the instruments as listed below - Money market instruments (including cheques, bills, certificates of deposit) - Foreign exchange - Financial Derivative products (including futures and options) - Exchange rate and interest Rate instruments (including swaps and forward rate agreements) - Transferable securities - Other negotiable instruments and financial assets (including bullion)		(1) Unbound (2) Unbound (3) Commercial presence is permitted only to foreign financial institutions which deal with the same instruments in their country of origin. Representative offices may be established by pre-notification. Top executive personnel of each establishment must reside in Korea.	(1) Unbound (2) Unbound (3) None	
i) Participation in issues of all kinds of securities - Security issue - Underwriting - Placement - Other services related to securities		(1) Unbound (2) Unbound (3) Commercial presence is permitted only to foreign financial institutions which deal with the issuing of all kinds of securities. Representative offices may be established by pre-notification.	(1) Unbound (2) Unbound (3) None	

Modes of Supply:	1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	Top executive personnel of each establishment must reside in Korea.		

Modes of Supply:		1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
j) Asset management, applicable only to services listed below: - Cash or portfolio management - All forms of collective investment management - Custody - Trust ¹⁴ (including investment discretionary advisory service)		(1) Unbound (2) Unbound (3) Commercial presence is permitted only to foreign asset management companies. Representative offices may be established by pre-notification. To handle a trust business, approval (two types) is required from the Financial Services Commission both for engaging in businesses other than the main banking businesses and for engaging in the trust business. Unbound for real estate trust businesses. Top executive personnel of each establishment must reside in Korea.	(1) Unbound (2) Unbound (3) None	
k) Credit information services		(1) Unbound (2) Unbound (3) Unbound except for equity participation of less than 50 per cent in existing financial information companies.	(1) Unbound (2) Unbound (3) None	

¹⁴ Activities where a trustee is commissioned to manage the financial assets for beneficiary's benefit.

Modes of Supply:		1) Cross-border Supply	2) Consumption abroad	3) Commercial presence
Sector or Subsector		Limitations on Market Access	Limitations on National Treatment	Additional Commitments
l) Advisory, intermediation and other auxiliary financial services, applicable only to services listed below: - Investment advice		(1) Unbound (2) Unbound (3) Commercial presence is permitted only to foreign investment advisory companies. Representative offices may be established by pre-notification. Top executive personnel of each establishment must reside in Korea.	(1) Unbound (2) Unbound (3) None	
- Credit rating and analysis		(1) Unbound (2) Unbound (3) Credit rating companies should be designated by the relevant authorities to assess the credit rating of companies which may wish to issue non-guaranteed corporate bonds and commercial papers.	(1) Unbound (2) Unbound (3) None	