

ANNEX I
SCHEDULE OF KOREA

1. Sector:	Construction Services
Sub-Sector:	
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Framework Act on the Construction Industry</i> (Law No. 8971, March 21, 2008), Articles 9 and 10</p> <p><i>Enforcement Decree of the Framework Act on the Construction Industry</i> (Presidential Decree No. 21233, December 31, 2008), Article 13</p> <p><i>Enforcement Regulations of the Framework Act on the Construction Industry</i> (Ordinance of the Ministry of Land, Transport and Maritime Affairs No. 89, December 31, 2008), Articles 2 and 3</p> <p><i>Information and Communication Construction Business Act</i> (Law No. 9553, March 25, 2009), Article 14</p> <p><i>Fire Fighting System Installation Business Act</i> (Law No. 9198, December 26, 2008), Articles 4 and 5</p> <p><i>Enforcement Decree of the Fire Fighting System Installation Business Act</i> (Presidential Decree No. 21381, December 18, 2008), Article 2 (Table 1)</p> <p><i>Enforcement Regulations of the Fire Fighting System Installation Business Act</i> (Ordinance of the Ministry of Public Administration and Security No. 47, December 18, 2008), Article 2</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>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.</p>

2. Sector: Leasing, Rental, Maintenance, Repair, Sales, and Disposal Services Related to Construction Machinery and Equipment

Sub-Sector:

Obligations Concerned: Local Presence (Article 10.5)

Level of Government: Central

Measures: *Construction Machinery Management Act* (Law No. 8980, March 21, 2008), Article 21

Enforcement Decree of the Construction Machinery Management Act (Presidential Decree No. 21263, January 14, 2009), Articles 13, 14, 15, and 15-2

Enforcement Regulations of the Construction Machinery Management Act (Ordinance of the Ministry of Land, Transport and Maritime Affairs No. 115, April 7, 2007), Articles 57 through 63, 65-2, and 65-3

Description: Cross-Border Trade in Services

A person that supplies leasing, rental, maintenance, repair, sales, and disposal services related to construction machinery and equipment must establish an office in Korea.

3. Sector:	Transportation Services
Sub-Sector:	Automobile Maintenance, Repair, Sales, Disposal, and Inspection Services; Automobile License Plate Issuing Services
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Automobile Management Act</i> (Law No. 9109, June 13, 2008), Articles 20, 44, 45, and 53 <i>Enforcement Regulations of the Automobile Management Act</i> (Ordinance of the <i>Ministry of Land, Transport and Maritime Affairs</i> No. 116, April 8, 2009), Articles 7, 8, 83, 87, and 111
Description:	<u>Cross-Border 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 authorization 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 license plate manufacturing, delivery, and seal services that is designated as a “license plate issuing agency” must establish an office in Korea.

4. Sector:	Manufacturing and Distribution Services
Sub-Sector:	Tobacco and Liquor
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Tobacco Business Act</i> (Law No. 8852, February 29, 2008), Articles 12, 13, and 16</p> <p><i>Enforcement Decree of the Tobacco Business Act</i> (Presidential Decree No. 21148, December 3, 2008), Articles 4 and 5</p> <p><i>Enforcement Regulations of the Tobacco Business Act</i> (Ordinance of the <i>Ministry of Strategy and Finance</i> No. 600, January 14, 2008), Articles 5, 6-2, and 7</p> <p><i>Liquors Act</i> (Law No. 8837, January 9, 2008), Articles 8, 9, 10, 40, and 43</p> <p><i>Enforcement Decree of the Liquors Act</i> (Presidential Decree No. 21295, Feb. 4, 2009), Articles 9, 45, 51, and 56</p> <p><i>Notice of National Tax Service</i>, 2005-5 and 2006-24</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies tobacco wholesale (including importation) or retail distribution services must establish an office in Korea.</p> <p>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.</p> <p>The distance between places of business of tobacco retailers must be at least 50 meters.</p> <p>A person that supplies liquor wholesale distribution services must establish an office in Korea and obtain authorization from the head of the relevant tax office, which is subject to an economic needs test.</p> <p>The sale of liquor by telephone or in electronic commerce is prohibited.</p>

5. Sector:	Agriculture and Livestock
Sub-Sector:	
Obligations Concerned:	National Treatment (Article 9.3)
Level of Government:	Central
Measures:	<p><i>Foreign Investment Promotion Act</i> (Law No. 9071, March 28, 2008), Article 4</p> <p><i>Enforcement Decree of the Foreign Investment Promotion Act</i> (Presidential Decree No. 21214, December 31, 2008), Article 5</p> <p><i>Consolidated Public Notice of Ministry of Knowledge Economy</i> (No. 2009-81, March 4, 2009), Appendix 1</p>
Description:	<p><u>Investment</u></p> <p>Foreign persons may not:</p> <ul style="list-style-type: none"> (a) invest in an enterprise engaged in rice or barley farming; or (b) hold 50 percent or more of the equity interest of an enterprise engaged in beef cattle farming.

6. Sector:	Business Services
Sub-Sector:	<i>An-gyung-sa</i> (Optician and Optometry) Services
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Medical Technicians Act</i> (Law No. 8852, February 29, 2008), Article 12 <i>Enforcement Regulations of the Medical Technicians Act</i> (Ordinance of the <i>Ministry of Health, Welfare and Family Affairs Decree</i> No. 89, January 16, 2009), Article 15
Description:	<u>Cross-Border Trade in Services</u> Only a natural person that is a licensed <i>an-gyung-sa</i> (optician and optometrist) that has established an office in Korea may engage in optician or optometry services. An <i>an-gyung-sa</i> (optician and optometrist) may not establish more than one office.

7. Sector:	Wholesale and Retail Distribution Services
Sub-Sector:	
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Pharmaceutical Affairs Act</i> (Law No. 9123, June 13, 2008), Articles 42 and 45</p> <p><i>Decree on the Facility Standards of Pharmacy, Manufacturer, Importer and Distributor of Pharmaceuticals</i> (Presidential Decree No. 20679, February 29, 2008), Articles 6 and 7</p> <p><i>Supply, Demand and Distribution of Oriental Medicinal Herbs Regulations</i> (Notice of the Ministry of Health, Welfare and Family Affairs No. 2008-142, November 28, 2008), Articles 4 and 13</p> <p><i>Medical Devices Act</i> (Law No. 8852, February 29, 2008), Article 14</p> <p><i>Enforcement Regulations of the Medical Devices Act</i> (Ordinance of the Ministry of Health, Welfare and Family Affairs No. 84, December 31, 2008), Article 19</p> <p><i>Functional Foods Act</i> (Law No. 8941, September 22, 2008), Article 6</p> <p><i>Enforcement Regulations of the Functional Foods Act</i> (Ordinance of the Ministry of Health, Welfare and Family Affairs No. 88, January 13, 2009), Articles 2 and 5</p> <p><i>Food Sanitation Act</i> (Law No. 8852, February 29, 2008), Articles 18, 21, and 22</p> <p><i>Enforcement Decree of the Food Sanitation Act</i> (Presidential Decree No. 21371, March 25, 2009), Articles 9 through 11</p> <p><i>Enforcement Regulations of the Food Sanitation Act</i> (Ordinance of the Ministry of Health, Welfare and Family Affairs No. 102, April 3, 2009), Articles 16 and 20 (attached table 9)</p> <p><i>Act on the Control of Narcotics</i> (Law No. 9024, March 28, 2008), Article 6</p>

Description:

Cross-Border Trade in Services

A person that supplies wholesale trade services must establish an office in Korea in order to receive an import business license 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; or
- (d) narcotic drug wholesale and retail distribution services.

The Minister of Health, Welfare and Family Affairs controls the supply and demand of the wholesale distribution of imported designated *han-yak-jae* (Asian medicinal herbs).

Certain liquor-selling bars and the wholesale and retail distribution of narcotics require authorization by the relevant authority.

8. Sector:	Retail Distribution of Pharmaceuticals
Sub-Sector:	
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Pharmaceutical Affairs Act</i> (Law No. 9123, June 13, 2008), Articles 20, 21, 23, 44, and 50 <i>Decree on the Facility Standards of Pharmacy, Manufacturer, Importer and Distributor of Pharmaceuticals</i> (Presidential Decree No. 20679, February 29, 2008), Articles 1, 2, and 3 <i>Enforcement Regulations of the Pharmaceutical Affairs Act</i> (Ordinance of the <i>Ministry of Health, Welfare and Family Affairs</i> No. 77, December 1, 2008), Article 7
Description:	<u>Cross-Border 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.

9. Sector:	Transportation Services
Sub-Sector:	International Maritime Cargo Transportation and Maritime Auxiliary Services
Obligations Concerned:	National Treatment (Article 10.2) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Maritime Transportation Act</i> (Law No. 9615, April 1, 2009), Articles 24 and 33 <i>Enforcement Regulations of the Maritime Transportation Act</i> (Ordinance of the Ministry of Land, Transport and Maritime Affairs No. 110, March 26, 2009), Articles 17, 19, 29, and 30 <i>Pilotage Act</i> (Law No. 9443, February 6, 2009), Article 6 <i>Ship Investment Company Act</i> (Law No. 8863, February 29, 2008), Articles 3 and 31
Description:	<u>Cross-Border Trade in Services</u> A person that supplies international maritime cargo transportation and shipping brokerage services must be organized as a <i>Chusik Hoesa</i> (stock company) in Korea. A ship investment company must also be organized as a <i>Chusik Hoesa</i> (stock company) in Korea. Only a Korean national may supply maritime pilotage services.

10. Sector:	Transportation Services
Sub-Sector:	Air Transportation Services
Obligations Concerned:	National Treatment (Article 9.3) Senior Management and Boards of Directors (Article 9.6)
Level of Government:	Central
Measures:	<i>Aviation Act</i> (Law No. 9313, December 31, 2008), Articles 3, 6, 112, 113, 114, and 132 <i>Enforcement Regulations of the Aviation Act</i> (Ordinance of the Ministry of Land, Transport and Maritime Affairs No. 98, February 10, 2009), Articles 278, 278-2, 298, and 299

Description:

Investment

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 *gong-gong-danche* (organization for public purposes);
- (c) an enterprise organized under foreign law;
- (d) an enterprise in which any of the persons referred to in subparagraphs (a) through (c) owns 50 percent or more of the equity interest, or has control; or
- (e) an enterprise organized under Korean law whose *dae-pyo-ja* (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 authorized to operate a chartered aircraft must register the aircraft with the Minister of Land, Transport and Maritime Affairs. The persons listed in subparagraphs (a) through (e) are not allowed to register an aircraft.

11. Sector:	Transportation Services
Sub-Sector:	Aircraft Use Business
Obligations Concerned:	National Treatment (Articles 9.3) Senior Management and Boards of Directors (Article 9.6)
Level of Government:	Central
Measures:	<i>Aviation Act</i> (Law No. 9313, December 31, 2008), Articles 3, 6, and 134 <i>Enforcement Regulations of the Aviation Act</i> (Ordinance of the Ministry of Land, Transport and Maritime Affairs No. 98, February 10, 2009), Articles 298 and 299-2

Description: Investment

A person that supplies aircraft-*sa-yong* (use) services or such non-scheduled air transportation services as glider towing, parachute jumping, aerial construction, heli-logging, and aerial sightseeing must register its self-owned or chartered aircraft with the Minister of Land, Transport and Maritime Affairs.

The following persons may not register an aircraft:

- (a) a foreign national;
- (b) a foreign government or a foreign *gong-gong-danche* (organization for public purposes);
- (c) an enterprise organized under foreign law;
- (d) an enterprise in which any of those referred to in subparagraphs (a) through (c) owns 50 percent or more of the equity interest, or has control; or
- (e) an enterprise organized under Korean law whose *dae-pyo-ja* (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.

For purposes of this entry, aircraft-*sa-yong* (use) services are services using an aircraft, and supplied upon request, for hire, other than for passenger or freight transportation, including aerial fire-fighting, forestry fire management, aerial advertising, flight training, aerial mapping, aerial investigation,

aerial spraying, aerial photographing and other aerial agricultural activities, and aerial inspections and observations.

12. Sector:	Courier Services
Sub-Sector:	
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Aviation Act</i> (Law No. 9313, December 31, 2008), Article 139 <i>Enforcement Regulations of the Aviation Act</i> (Ordinance of the Ministry of Land, Transport and Maritime Affairs No. 98, February 10, 2009), Article 306
Description:	<u>Cross-Border 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.

13. Sector:	Telecommunications Services
Sub-Sector:	
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Telecommunications Business Act</i> (Law No. 9702, March 21, 2009), Articles 5, 5-2, 6, 19, and 59-2 <i>Telecommunications Business Act</i> (Law No. 5385, August 28, 1997), Addenda Article 4 <i>Radio Waves Act</i> (Law No. 9482, March 13, 2009), Articles 13 and 20
Description:	<u>Investment and Cross-Border Trade in Services</u> A license for facilities-based public telecommunications services or a registration for non-facilities-based public telecommunications services shall be granted only to a juridical person organized under Korean law. A license for facilities-based public telecommunications services shall not be granted to or held by a juridical person organized under Korean law in which a foreign government, foreign person, or deemed foreign person holds in the aggregate more than 49 percent 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 percent 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 percent 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 license. 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 purposes of this entry:

- (a) **deemed foreign person** means a juridical person organized under Korean law in which a foreign government or a foreign person (including a “specially related person” under relevant Korean laws or regulations) is the largest shareholder and holds 15 percent or more of that juridical person’s total voting shares, but does not include a juridical person that holds less than one percent of the total voting shares of a facilities-based supplier of public telecommunications services;
- (b) consistent with Article 4.2 of the *Telecommunications Business Act* (Law No. 9481, March 13, 2009), a facilities-based supplier is a supplier that owns transmission facilities;
- (c) consistent with Article 4.3 of the *Telecommunications Business Act* (Law No. 9481, March 13, 2009), 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 Article 2.3 of the *Telecommunications Basic Act* (Law No. 9481, March 13, 2009), **transmission facilities** means wireline or wireless transmission facilities (including circuit facilities) that connect transmitting points with receiving points.

14. Sector:	Real Estate Brokerage and Appraisal Services
Sub-Sector:	
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Act on Duties of a Licensed Real Estate Broker and Filing of Real Estate Transactions</i> (Law No. 9127, June 13, 2008), Article 9</p> <p><i>Enforcement Decree of the Act on Duties of a Licensed Real Estate Broker and Filing of Real Estate Transactions</i> (Presidential Decree No. 21159, December 9, 2008), Article 13</p> <p><i>Enforcement Regulations of the Act on Duties of a Licensed Real Estate Broker and Filing of Real Estate Transactions</i> (Ordinance of the Ministry of Land, Transportation and Maritime Affairs No. 50, September 12, 2008), Article 4</p> <p><i>Public Notice of Values and Appraisal of Real Estate Act</i> (Law No. 9055, March 28, 2008), Article 27</p> <p><i>Enforcement Decree of the Public Notice of Values and Appraisal of Real Estate Act</i> (Presidential Decree No. 21189, December 24, 2008), Articles 65, 66, and 68</p> <p><i>Enforcement Regulations of the Public Notice of Values and Appraisal of Real Estate Act</i> (Ordinance of the Ministry of Land, Transportation and Maritime Affairs No. 81, December 26, 2008), Articles 25 and 26</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies real estate brokerage services or real estate appraisal services must establish an office in Korea.</p>

15. Sector:	Retail, Leasing, Rental, and Repair Services
Sub-Sector:	Medical Devices
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Medical Devices Act</i> (Law No. 8852, February 29, 2008), Articles 15 and 16</p> <p><i>Enforcement Regulations of the Medical Devices Act</i> (Ordinance of the <i>Ministry of Health, Welfare and Family Affairs</i> No. 84, April 18, 2008), Articles 22 and 24</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies retail, leasing, rental, or repair services related to medical devices must establish an office in Korea.</p>

16. Sector:	Rental Services
Sub-Sector:	Automobiles
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Passenger Transport Service Act</i> (Law No. 9070, March 28, 2008), Articles 29 and 30</p> <p><i>Enforcement Regulations of the Passenger Transport Service Act</i> (Ordinance of the <i>Ministry of Land, Transport and Maritime Affairs</i> No. 102, February 24, 2009), Article 52</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies automobile rental services must establish an office in Korea.</p>

17. Sector:	Scientific Research Services and Sea Map Making Services
Sub-Sector:	
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2)
Level of Government:	Central
Measures:	<i>Marine Scientific Research Act</i> (Law No. 8852, February 29, 2008), Articles 6, 7, and 8 <i>Territorial Sea and Contiguous Zone Act</i> (Law No. 4986, December 6, 1995), Article 5
Description:	<u>Investment and Cross-Border Trade in Services</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 authorization or consent from the Minister of Land, Transport and Maritime Affairs 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 Land, Transport and Maritime Affairs.

18. Sector:	Professional Services
Sub-Sector:	Legal Services
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Attorney-at-law Act</i> (Law No. 9416, February 26, 2009), Articles 4, 7, 21, 34, 45, 58-6, 58-22, and 109 <i>Certified Judicial Scriveners Act</i> (Law No. 8920, March 21, 2008), Articles 2, 3, and 14 <i>Notary Public Act</i> (Law No. 9416, February 6, 2009), Articles 10, 16, and 17
Description:	<u>Cross-Border 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 (yoo-han)</i> (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 the Schedule to Annex II.

19. Sector:	Professional Services
Sub-Sector:	Labor Affairs Consulting Services
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Certified Labor Affairs Consultant Act</i> (Law No. 9255, December 26, 2008), Articles 5, 7-3, and 7-4
Description:	<u>Cross-Border Trade in Services</u>

A person that supplies labor affairs consulting services must establish an office in Korea and be a *gong-in-no-mu-sa* (Korean-licensed labor affairs consultant).

For greater certainty, an enterprise that supplies labor affairs consulting services must consist of at least two *gong-in-no-mu-sa* (Korean-licensed labor affairs consultant) (including the natural person who is the founder) and must obtain authorization from the Minister of Employment and Labor.

20. Sector:	Professional Services
Sub-Sector:	Patent Attorney (<i>byeon-ri-sa</i>)
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Patent Attorney Act</i> (Law No. 7870, March 3, 2006), Articles 3, 5, 6-2, and 6-3
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>Only a <i>byeon-ri-sa</i> (Korean-licensed patent attorney) who is registered with the Korean Intellectual Property Office may supply patent attorney services.</p> <p>Only a <i>byeon-ri-sa</i> (Korean-licensed patent attorney) may establish a <i>gae-in-sa-mu-so</i> (sole proprietorship) or a <i>teuk-heo-beop-in</i> (patent law firm). For greater certainty, a person that is not a Korean-licensed patent attorney may not invest in either of these types of legal entity.</p> <p>A <i>byeon-ri-sa</i> (Korean-licensed patent attorney) may establish only one office.</p>

21. Sector:	Professional Services
Sub-Sector:	Accounting and Auditing Services
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Certified Public Accountant Act</i> (Law No. 8863, February 29, 2008), Articles 2, 7, 12, 18, and 23 <i>External Audit of Stock Companies Act</i> (Law No. 9408, February 3, 2009), Article 3
Description:	<u>Cross-Border 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> . This entry is subject to the commitments undertaken in the entry for Professional Services – Foreign Certified Public Accountant in the Schedule of Korea to Annex II.

22. Sector:	Professional Services
Sub-Sector:	Tax Accountant (<i>se-mu-sa</i>)
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Certified Tax Accountant Act</i> (Law No. 9348, January 30, 2009), Articles 6, 13, 16-3, and 20 <i>Enforcement Decree of the Corporate Tax Act</i> (Presidential Decree No. 21302, February 4, 2009), Article 97 <i>Guidelines Governing the Work of Tax Agents</i> , Articles 20 and 22
Description:	<u>Cross-Border 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 forces) or a <i>se-mu-beop-in</i> (tax agency corporation limited liability company) may supply tax reconciliation services. This entry is subject to the commitments undertaken in the entry for Professional Services – Foreign Certified Tax Accountants in the Schedule of Korea to Annex II.

23. Sector:	Professional Services
Sub-Sector:	Customs Clearance Services
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Customs Broker Act</i> (Law No. 7796, December 29, 2005), Articles 3, 7, and 9
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>Only a <i>gwan-se-sa</i> (customs broker) licensed under the <i>Customs Brokers Act</i>, a corporation incorporated by such customs brokers, or a corporation licensed to engage in the customs-clearance brokerage business under the <i>Customs Broker Act</i> may supply customs-clearance services.</p> <p>A person that supplies customs-clearance services must establish an office in Korea.</p>

24. Sector:	Engineering and Other Technical Services
Sub-Sector:	Industrial Safety, Health Institution, and Consulting Services
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Industrial Safety and Health Act</i> (Law No. 9319, December 31, 2008), Articles 15 and 52-4</p> <p><i>Enforcement Decree of the Industrial Safety and Health Act</i> (Presidential Decree No. 21263, January 14, 2009), Articles 15-3 and 19-3</p> <p><i>Enforcement Regulations of the Industrial Safety and Health Act</i> (Ordinance of the <i>Ministry of Employment and Labor</i> No. 265, January 12, 2007), Articles 18, 21, and 136-8</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies safety and health management or diagnostic services to industrial workplaces must establish an office in Korea.</p> <p>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.</p>

25. Sector:	Engineering and Other Technical Services
Sub-Sector:	Architectural Services, Engineering Services, Integrated Engineering Services, Urban Planning, and Landscape Architectural Services
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Certified Architects Act</i> (Law No. 9187, December 26, 2008), Article 23</p> <p><i>Enforcement Decree of the Certified Architects Act</i> (Presidential Decree No. 21214, December 31, 2008), Articles 22 and 23</p> <p><i>Enforcement Regulations of the Certified Architects Act</i> (Ordinance of the <i>Ministry of Land, Transport and Maritime Affairs</i> No. 4, March 14, 2008), Article 13</p> <p><i>Engineering Technology Promotion Act</i> (Law No. 9502, March 18, 2009), Article 4</p> <p><i>Professional Engineers Act</i> (Law No. 8852, February 29, 2008), Article 6</p> <p><i>Special Act on the Safety Control of Public Structures</i> (Law No. 8967, March 21, 2008), Article 9</p> <p><i>Enforcement Decree of the Special Act on the Safety Control of Public Structures</i> (Presidential Decree No. 21020, September 18, 2008), Article 11</p> <p><i>Construction Technology Management Act</i> (Law No. 9056, March 28, 2008), Articles 25 and 28</p> <p><i>Enforcement Decree of the Construction Technology Management Act</i> (Presidential Decree No.21402, March 31, 2009), Articles 49 and 54</p> <p><i>Enforcement Regulations of the Construction Technology Management Act</i> (Ordinance of the <i>Ministry of Land, Transport and Maritime Affairs</i> No. 113, April 6, 2009), Article 28</p> <p><i>Act on Assessment of Impacts of Works on the Environment</i> (Law No. 9037, March 28, 2008), Article 35</p> <p><i>Surveying Act</i> (Law No. 8852, February 29, 2008), Article 39</p>

Enforcement Decree of the Surveying Act (Presidential Decree No. 21025, September 22, 2008), Articles 15, 16, and 18

Environmental Testing and Inspection (Law No. 8957, March 21, 2008), Article 16

Thermal Spring Management Act (Law No. 9202, December 26, 2008), Article 7

Fire Fighting System Installation Business Act (Law No. 9198, December 26, 2008), Article 4

Description:

Cross-Border Trade in Services

A person that supplies architectural services, engineering services, integrated engineering services, or urban planning and landscape architectural 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.

26. Sector:	Business Services
Sub-Sector:	Electronic Billboard Operator Services and Outdoor Advertisement Services
Obligations Concerned:	Performance Requirements (Article 9.7) Senior Management and Boards of Directors (Article 9.6) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Broadcasting Act</i> (Law No. 9280, December 31, 2008), Articles 13 and 73 <i>Outdoor Advertisements, Etc. Management Act</i> (Law No. 8974, March 21, 2008), Article 11 <i>Enforcement Decree of the Outdoor Advertisements, Etc. Management Act</i> (Presidential Decree No. 20911, July 9, 2008), Articles 31 and 41
Description:	<u>Investment and Cross-Border Trade in Services</u>

A foreign national or a Korean national who serves as a *dae-pyo-ja* (for example, a chief executive officer, president, or similar principal senior officer) of a foreign enterprise may not serve as the *dae-pyo-ja* (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 percent of the electronic billboard programs 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.

27. Sector:	Business Services
Sub-Sector:	Job Placement Services, Labor Supply and Worker Dispatch Services, and Education Services for Seafarers
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Employment Security Act</i> (Law No. 9040, March 28, 2008), Articles 19 and 33</p> <p><i>Enforcement Decree of the Employment Security Act</i> (Presidential Decree No. 20506, December 31, 2007), Articles 21 and 33</p> <p><i>Enforcement Regulations of the Employment Security Act</i> (Ordinance of the Ministry of Employment and Labor No. 316, March 10, 2009), Articles 17 and 36</p> <p><i>Act Relating to Protection for Dispatched Workers</i> (Law No. 8964, March 21, 2008), Article 7, 8, 9, and 10</p> <p><i>Enforcement Decree of the Act Relating to Protection for Dispatched Workers</i> (Presidential Decree No. 20094, June 18, 2007), Article 3</p> <p><i>Enforcement Regulations of the Act Relating to Protection for Dispatched Workers</i> (Ordinance of the Ministry of Employment and Labor No. 318, March 10, 2009), Articles 3, 4, and 5</p> <p><i>Act on Designation and Management of Free Economic Zones</i> (Law No. 9216, December 26, 2008), Article 17</p> <p><i>Seafarers Act</i> (Law No. 8381, April 11, 2007), Articles 100, 101, 103, 104, 106, 107, 122-2, and 122-3</p> <p><i>Korea Institute of Maritime and Fisheries Technology Act</i> (Law No. 6457, March 28, 2001), Article 5</p>

Description:

Investment and Cross-Border Trade in Services

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 April 17, 2009 the types of

business to which workers may be seconded are limited to the 32 businesses set forth in the Presidential Decree, but the Minister of Employment and Labor can expand the types of business and the secondment period, in accordance with the review and determination by the Committee of the Free Economic Zone.

Only the Korea Seafarers Welfare and Employment Center and regional offices of the Minister of Land, Transport and Maritime Affairs may supply seafaring labor supply services.

To become an agent for seafarer personnel management services, a person must register with the Minister of Land, Transport and Maritime Affairs as a stock company under the Korean Commercial Code.

Only the Korea Institute of Maritime and Fisheries Technology may provide education and training for seafarers.

28. Sector:	Investigation and Security Services
Sub-Sector:	
Obligations Concerned:	Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Certified Private Security Act</i> (Law No. 7671, August 4, 2005), Articles 3 and 4 <i>Enforcement Decree of the Certified Private Security Act</i> (Presidential Decree No. 18312, March 17, 2004), Articles 3 and 4 <i>Enforcement Regulations of the Certified Private Security Act</i> (Ordinance of the <i>Ministry Public Administration and Security</i> , No. 345, September 7, 2006), Article 3
Description:	<u>Cross-Border Trade in Services</u> Only a juridical person organized 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> (mechanized security); and (e) <i>teuk-soo-gyung-bee</i> (special security).

29. Sector:	Distribution Services Related to Publications
Sub-Sector:	
Obligations Concerned:	National Treatment (Article 10.2)
Level of Government:	Central
Measures:	<p><i>Publication and Printing Promotion Act</i> (Law No. 8852, February 29, 2008), Article 12</p> <p><i>Enforcement Decree of the Publication and Printing Promotion Act</i> (Presidential Decree No. 20676, February 29, 2008), Article 7</p> <p><i>Enforcement Regulations of the Publication and Printing Promotion Act</i> (Ordinance of the Ministry of Culture, Sports and Tourism No. 1, March 6, 2008), Article 7</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that imports the following types of foreign publications for purposes of domestic distribution must obtain a recommendation from the Minister of Culture, Sports and Tourism:</p> <ul style="list-style-type: none"> (a) publications issued by anti-government subversive entities or groups; or (b) novels, comics, photo albums, pictorial series, and magazines. <p>Distributors of domestic publications are subject to a review process on <i>ad hoc</i> basis after distribution takes place.</p>

30. Sector:	Transportation Services
Sub-Sector:	Aircraft Maintenance and Repair Services
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Aviation Act</i> (Law No. 9313, December 31, 2008), Articles 137 and 138 <i>Enforcement Regulations of the Aviation Act</i> (Ordinance of the Ministry of Land, Transport and Maritime Affairs No. 98, February 10, 2007), Articles 16, 304, and 305
Description:	<u>Cross-Border Trade in Services</u> A person that supplies aircraft maintenance and repair services must establish an office in Korea.

31. Sector:	Education Services
Sub-Sector:	Higher Education
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Market Access (Article 10.4) Senior Management and Boards of Directors (Article 9.6)
Level of Government:	Central
Measures:	<i>Higher Education Act</i> (Law No. 9356, January 30, 2009), Articles 3, 4, 21, 32, 42, and 43 <i>Enforcement Decree of the Higher Education Act</i> (Presidential Decree No. 21265, January 16, 2009), Articles 13 and 28 <i>Private School Act</i> (Law No. 8888, March 14, 2008), Articles 3, 5, 10, and 21 <i>Enforcement Decree of the Private School Act</i> (Presidential Decree No. 21274, January 28, 2009), Article 9-3 <i>Decree for the Establishment of the Korea Air and Correspondence University</i> (Presidential Decree No. 21337, February 27, 2009), Articles 1 and 2 <i>Seoul Metropolitan Area Readjustment Planning Act</i> (Law No. 10219, March 31, 2010), Articles 7, 8, 9, and 18 <i>Enforcement Decree of the Seoul Metropolitan Area Readjustment Planning Act</i> (Presidential Decree No. 22075, March 15, 2010), Articles 3, 10, 11, 12, 13, and 14
Description:	<u>Investment and Cross-Border Trade in Services</u>

At least 50 percent 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 percent 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 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, Science and Technology may establish higher education institutions (other than the types of institutions listed in Annex II) in Korea.

In the Seoul Metropolitan Area, the new establishment, extension, or transfer of a higher education institution other than Intra-company Universities may be restricted.

The Minister of Education, Science and Technology 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 purposes of this entry, “Seoul Metropolitan Area” includes the Seoul Metropolitan City, Incheon Metropolitan City, and Gyeonggi Province.

Local higher education institutions may jointly operate curricula only with foreign higher education institutions that have obtained accreditation from foreign governments or authorized foreign accreditation bodies.

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.

32. Sector:	Education Services
Sub-Sector:	Adult Education
Obligations concerned:	National Treatment (Articles 9.3 and 10.2) Market Access (Article 10.4)
Level of Government:	Central
Measures:	<p><i>Establishment and Operation of Private Teaching Institutes and Extracurricular Lessons Act</i> (Law No. 8483, May 25, 2007), Articles 2, 2-2, and 13</p> <p><i>Enforcement Decree of the Establishment and Operation of Private Teaching Institutes and Extracurricular Lessons Act</i> (Presidential Decree No. 20740, February 29, 2008), Article 12</p> <p><i>Lifelong Education Act</i> (Law No. 9641, May 8, 2009), Articles 30, 33, 35, 36, 37, and 38</p> <p><i>Seoul Metropolitan Area Readjustment Planning Act</i> (Law No. 10219, March 31, 2000), Articles 7, 8, 9, and 18</p> <p><i>Enforcement Decree of the Seoul Metropolitan Area Readjustment Planning Act</i> (Presidential Decree No. 22075, March 15, 2010), Articles 3, 10, 11, 12, 13, and 14</p> <p><i>Foreign Investment Promotion Act</i> (Law No. 10339, June 4, 2010), Article 4</p> <p><i>Consolidated Public Notice of the Ministry of Knowledge Economy</i> (No. 2010-83, March 8, 2010)</p>

Description: Investment and Cross-Border Trade in Services

The types of adult education institutions that a foreign person may establish in Korea are limited to the following:

- (a) hag-won (private teaching institutes for adults) related to lifelong and vocational education, which do not offer the courses approved for credits; and
- (b) no later than the date this Agreement enters into force, lifelong adult education facilities operated for purposes other than offering the courses approved for credits, recognizing educational qualifications or conferring diplomas, which include:

- (i) educational facilities annexed to workplaces, non-governmental organizations, schools and media organizations; and
 - (ii) educational facilities related to the development of knowledge and human resources,
- all of which are established for adults.

For purposes of this entry, *hag-won* (private teaching institutes for adults) are the facilities that provide tutoring services on subjects related to lifelong or vocational education to 10 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.

33. Sector:	Education Services
Sub-Sector:	Vocational Competency Development Training Services
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Workers' Vocational Competency Development Act</i> (Law No. 9316, December 31, 2008), Articles 28, 32, and 36</p> <p><i>Enforcement Decree of the Workers' Vocational Competency Development Act</i> (Presidential Decree No. 21398, March 31, 2009), Articles 24 and 26</p> <p><i>Enforcement Regulations of the Workers' Vocational Competency Development Act</i> (Ordinance of the <i>Ministry of Employment and Labor</i> No. 320, April 1, 2009), Articles 12 and 14</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies vocational competency development training services must establish an office in Korea.</p>

34. Sector:	Veterinary Services
Sub-Sector:	
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Veterinary Affairs Act</i> (Law No. 10310, November 26, 2010), Article 17
	<i>Fish Culture Promotion Act</i> (Law No. 9627, April 23, 2010), Article 24
Description:	<u>Cross-Border Trade in Services</u>
	A person that supplies veterinary or aquatic animal disease inspection services must establish an office in Korea.

35. Sector:	Environmental Services
Sub-Sector:	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
Obligations Concerned:	Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<p><i>Water Quality Conservation Act</i> (Law No. 7459, March 31, 2005), Article 62</p> <p><i>Development of and Support for Environmental Technology Act</i> (Law No. 7820, December 30, 2005), Articles 17 and 18</p> <p><i>Soil Environment Conservation Act</i> (Law No. 7459, March 31, 2005), Article 23-7</p> <p><i>Groundwater Act</i> (Law No. 7924, March 24, 2006), Article 29-2</p> <p><i>Clean Air Conservation Act</i> (Law No. 7459, March 31, 2005), Article 40</p> <p><i>Act on Assessment of Impacts of Works on Environment, Traffic and Disasters</i> (Law No. 7573, May 31, 2005), Article 8</p> <p><i>Toxic Chemicals Control Act</i> (Law No. 7849, February 21, 2006), Article 20</p> <p><i>Wastes Control Act</i> (Law No. 7459, March 31, 2005), Article 26</p> <p><i>Enforcement Decree of the Wastes Control Act</i> (Presidential Decree No. 18471, July 13, 2004), Article 6</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies the environmental services listed in the Sub-Sector heading must establish an office in Korea.</p>

36. Sector:	Performance Services
Sub-Sector:	
Obligations Concerned:	National Treatment (Article 10.2)
Level of Government:	Central
Measures:	<p><i>Public Performance Act</i> (Law No. 8852, February 29, 2008), Articles 6 and 7</p> <p><i>Enforcement Decree of the Public Performance Act</i> (Presidential Decree No. 21214, December 31, 2008), Articles 4 and 6</p> <p><i>Enforcement Regulations of the Public Performance Act</i> (Ordinance of the <i>Ministry of Culture, Sports and Tourism</i> No. 18, November 14, 2008), Article 4</p> <p><i>Enforcement Regulations of the Immigration Control Act</i> (Ordinance of the <i>Ministry of Justice</i> No. 661, April 3, 2009), Table 5</p>
Description:	<p><u>Cross-Border Trade in Services</u></p> <p>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.</p>

37. Sector:	News Agency (<i>News-tong-sin-sa</i>) Services
Sub-Sector:	
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Senior Management and Boards of Directors (Article 9.6) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>News Agency Promotion Act</i> (Law No. 9214, December 26, 2008), Articles 7, 8, 9, 9.5, 16 and 28 <i>Enforcement Decree of the News Agency Promotion Act</i> (Presidential Decree No. 20836, June 20, 2008), Articles 4 and 10 <i>Radio Waves Act</i> (Law No. 9482, March 13, 2009), Article 20
Description:	<u>Investment and Cross-Border Trade in Services</u>

A *news-tong-sin-sa* (news agency) organized under foreign law may supply *news-tong-sin* (news communications) in Korea only under a contract with a news agency organized under Korean law which has a radio station license, 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 organized under Korean law whose *dae-pyo-ja* (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 organized under Korean law in which a foreign person holds 25 percent or more equity interest.

The following persons may not serve as a *dae-pyo-ja* (for example, a chief executive officer, president, or similar principal senior officer) or editor of a news agency, or serve as *im-won* (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 *news-tong-sin* (news communications) in Korea.

The following persons may not obtain a radio station license:

- (a) a foreign national;
- (b) a foreign government or its representative; or
- (c) an enterprise organized under foreign law.

38. Sector:	Manufacturing of Biological Products
Sub-Sector:	
Obligations Concerned:	Performance Requirements (Article 9.7)
Level of Government:	Central
Measures:	<i>Pharmaceutical Affairs Act</i> (Law No. 9123, June 13, 2008), Article 42 <i>Enforcement Regulations of the Pharmaceutical Affairs Act</i> (Ordinance of the <i>Ministry of Health, Welfare and Family Affairs</i> No. 77, December 1, 2008), Article 21
Description:	<u>Investment</u> A person who manufactures blood products must procure raw blood materials from a blood management body in Korea.

39. Sector:	Publishing of Periodicals (Excluding Newspapers)
Sub-Sector:	
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Senior Management and Boards of Directors (Article 9.6) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Act on the Promotion of Periodicals including Magazine, Etc.</i> (Law No. 9098, June 5, 2008), Articles 20 and 29 <i>Enforcement Decree of the Act on the Promotion of Periodicals including Magazine, Etc.</i> (Presidential Decree No. 21148, December 6, 2008), Articles 17, 18, 19, and 20
Description:	<u>Investment and Cross-Border Trade in Services</u> The publisher or the editor-in-chief of an enterprise that publishes periodicals must be a Korean national. The following persons may not publish periodicals in Korea: <ul style="list-style-type: none"> (a) a foreign government or a foreign person; (b) an enterprise organized 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 (c) an enterprise organized under Korean law in which a foreign person holds more than 50 percent of share or equity interest. A foreign person that publishes periodicals may establish a branch or office in Korea subject to authorization from the Minister of Culture, Sports and Tourism. As of the date this Agreement enters into force, such branch or office may print and distribute its periodicals in Korea in the original language, provided that such periodicals are edited in the territory of the other Party.

40. Sector:	Distribution Services
Sub-Sector:	Agriculture and Livestock
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Market Access (Article 10.4)
Level of Government:	Central
Measures:	<p><i>Grain Management Act</i> (Law No. 9662, May 1, 2009), Article 12</p> <p><i>Livestock Industry Act</i> (Law No. 8852, February 29, 2008), Articles 30 and 34</p> <p><i>Seed Industry Act</i> (Law No. 8852, February 29, 2008), Article 142</p> <p><i>Feed Management Act</i> (Law No. 8931, March 22, 2009), Article 6</p> <p><i>Ginseng Industry Act</i> (Law No. 8852, February 29, 2008), Article 20</p> <p><i>Foreign Investment Promotion Act</i> (Law No. 9071, March 28, 2008), Article 4</p> <p><i>Enforcement Decree of the Foreign Investment Promotion Act</i> (Presidential Decree No. 21214, December 31, 2008), Article 5</p> <p><i>Consolidated Public Notice of the Ministry of Knowledge Economy</i> (No. 2009-81, March 4, 2009), Appendix 1</p> <p><i>Act on Distribution and Price Stabilization of Agricultural and Fishery Products</i> (Law No. 8852, February 29, 2008), Articles 15, 17, and 43</p> <p><i>Notice on TRQ Products (Ministry for Food, Agriculture, Forestry and Fishery Notice No. 2008-153, December 31, 2008), Articles 14 and 20-2</i></p>
Description:	<p><u>Investment and Cross-Border Trade in Services</u></p> <p>A foreign person may not hold 50 percent or more of the shares or equity interest of an enterprise engaged in <i>yook-ryu</i> (meat) wholesaling.</p> <p>Only the Livestock Cooperatives under the Agriculture Cooperative Act may establish and manage a <i>ga-chook-sijang</i></p>

(livestock market) in Korea.

Only a local government may establish a *gong-yeong-domae-sijang* (public wholesale market).

Only producers' organizations or public interest corporations prescribed in the *Enforcement Decree of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products* may establish a *gong-pan-jang* (joint wholesale market).

For greater certainty, Articles 10.2 and 10.4 do not prevent Korea from adopting or maintaining any measure with respect to the administration of the WTO Tariff-Rate-Quota.

41. Sector:	Communication Services
Sub-Sector:	Broadcasting Services
Obligations Concerned:	National Treatment (Articles 9.3 and 10.2) Performance Requirement (Article 9.7) Senior Management and Boards of Directors (Article 9.6) Market Access (Article 10.4) Local Presence (Article 10.5)
Level of Government:	Central
Measures:	<i>Broadcasting Act</i> (Law No. 9280, December 31, 2008) Articles 8, 9, 12, 13 through 18, 48, 69 through 71 <i>Enforcement Decree of the Broadcasting Act</i> (Presidential Decree No. 21236, December 31, 2008), Article 57 <i>Korea Educational Broadcasting Corporation Act</i> (Law No. 9280, December 31, 2008), Article 11
Description:	<u>Investment and Cross-Border Trade in Services</u> Neither a foreign national nor a Korean national who serves as a <i>dae-pyo-ja</i> (e.g., a chief executive officer, president, or similar principal senior officer) of a foreign enterprise may serve as a <i>dae-pyo-ja</i> (e.g., a chief executive officer, president, or similar principal senior officer) or chief programmer of a terrestrial broadcaster, satellite broadcasting operator, cable system operator, program provider, signal transmission network business operator, audio cable operator, or relay-only cable operator. All members of the boards of directors of the Korea Broadcasting System (KBS) and the Korea Educational Broadcasting System (EBS) must be Korean nationals. A license for a terrestrial broadcaster, cable system operator, satellite broadcasting operator, signal transmission network business operator, or a program provider may only be granted to or held by the Government of Korea, a local government, or a juridical person organized under Korean law. A license for a relay-only cable operator or an audio cable operator may only be granted to or held by the Government of Korea, a local government, or a Korean person. A license for a terrestrial broadcaster, relay-only cable operator, cable system operator, satellite broadcasting operator, or a

program provider that is engaged in *jong-hap-pyeon-sung* (multi-genre programming), home shopping, or *bo-do* (news reporting) is granted through *heo-ga* (permission), whereas a license for a signal transmission network business operator, audio cable operator or a program provider that is not engaged in *jong-hap-pyeon-sung* (multi-genre programming), home shopping, or *bo-do* (news reporting) is granted through *deung-rok* (registration).

A foreign government, foreign person, or deemed foreign person may not hold:

- (a) an equity interest in a terrestrial broadcaster, relay-only cable operator, or program provider that is engaged in *jong-hap-pyeon-sung* (multi-genre programming) or *bo-do* (news reporting);
- (b) in the aggregate more than 33 percent of the total issued stocks or equity interest of a satellite broadcasting operator; or
- (c) in the aggregate more than 49 percent of the total issued stocks or equity interest of a cable system operator, a signal transmission network business operator, or a program provider that is not engaged in *jong-hap-pyeon-sung* (multi-genre programming) or *bo-do* (news reporting).

For transparency purposes, no single person (including “specially related person” under Article 3 of the *Enforcement Decree of the Broadcasting Act*) may hold in the aggregate more than 30 percent of the total issued stocks or equity interest of a terrestrial broadcaster or a program provider that is engaged in *jong-hap-pyeon-sung* (multi-genre programming) or *bo-do* (news reporting), unless such broadcaster primarily provides religious or missionary content. Such limitations do not apply to the Government of Korea and a corporation established by a special law (e.g., Mun-hwa Broadcasting Corporation (MBC), which is established under *the Broadcasting Culture Promotion Act*).

A terrestrial broadcaster, program provider, cable system operator, or satellite broadcasting operator must include Korean content of at least the ratio publicly notified by the Korea Communications Commission, within the limit referred to in the following subparagraphs:

- (a) in the case of a terrestrial broadcaster or program provider that uses terrestrial broadcasting to provide

its programming, not less than 60 percent but not more than 80 percent of the quarterly programming hours per channel;

- (b) in the case of a cable system operator or a satellite broadcasting operator, not less than 40 percent but not more than 70 percent of the quarterly programming hours per channel; and
- (c) in the case of a program provider that does not use terrestrial broadcasting to provide its programming, not less than 20 percent but not more than 50 percent of the quarterly programming hours per channel.

A broadcaster must include domestically produced movies, animations and popular music of at least the ratio publicly notified by the Korea Communications Commission, within the limit referred to in the following subparagraphs:

- (a) Movies: not less than 20 percent but not more than 40 percent of the yearly programming hours of the channel concerned;
- (b) Animations: not less than 30 percent but not more than 50 percent of the yearly programming hours of the channel concerned; and
- (c) Popular music: not less than 50 percent but not more than 80 percent of the yearly programming hours of the channel concerned.

However, a broadcaster engaged in specialized programming pertaining to religion or education must include domestically produced movies and animations of at least the ratio publicly notified by the Korea Communications Commission, within the limit of not more than 40 percent of the yearly programming hours of movies or animations of the channel concerned.

Korea shall permit no more than 60 percent of a terrestrial broadcaster's, cable system operator's, satellite broadcasting operator's, or program provider's quarterly programming hours of foreign content per genre to be foreign content of a single country (single-country content ceiling).

For purposes of this entry:

- (a) **program provider engaged in *jong-hap-pyeon-sung* (multi-genre programming)** means a program provider that offers a combination of news,

entertainment, drama, movies, music programming, etc.;

- (b) **deemed foreign person** means a juridical person organized under Korean law in which a foreign government or a foreign person holds in the aggregate more than 50 percent of the juridical person's total issued stocks or equity interest, or whose largest shareholder is a foreign government or a foreign person; and
- (c) a "satellite broadcasting operator" includes an operator that uses or leases capacity on a satellite registered in a foreign country.

42. Sector:	Energy Industry
Sub-Sector:	Electric Power Generation Other Than Nuclear Power Generation; Electric Power Transmission, Distribution and Sales
Obligations Concerned:	National Treatment (Article 9.3) ¹
Level of Government:	Central
Measures:	<p><i>Financial Investment Services and Capital Markets Act</i> (Law No 9407, February 4, 2009), Article 168</p> <p><i>Enforcement Decree of the Financial Investment Services and Capital Markets Act</i> (Presidential Decree No 21291, February 4, 2009), Article 187</p> <p><i>Foreign Investment Promotion Act</i> (Law No. 9071, March 28, 2008), Articles 4 and 5</p> <p><i>Enforcement Decree of the Foreign Investment Promotion Act</i> (Presidential Decree No. 21214, December 31, 2008), Article 5</p> <p><i>Consolidated Public Notice of the Ministry of Knowledge Economy</i> (No. 2009-81, March 4, 2009), Appendix 1</p> <p><i>Notice of the Ministry of Strategy and Finance</i> (No. 2000-17, September 28, 2000)</p> <p><i>Financial Investment Services Regulations</i> (Financial Services Commission Notice No. 2009-17, February 4, 2009), Sec. 6-2</p>
Description:	<p><u>Investment</u></p> <p>The aggregate foreign share of KEPCO's issued stocks may not exceed 40 percent. A foreign person may not become the largest shareholder of KEPCO.</p> <p>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 percent of the total facilities in the territory of Korea.</p> <p>The aggregate foreign share of electric power transmission, distribution and sales businesses should be less than 50 percent. A foreign person may not be the largest shareholder.</p>

¹ Paragraph (a) of the eighth entry of Korea's Schedule set out in Annex II does not apply to this entry.

43. Sector:	Energy Industry
Sub-Sector:	Gas Industry
Obligations Concerned:	National Treatment (Article 9.3) ²
Level of Government:	Central
Measures:	<p><i>Act on the Improvement of Managerial Structure and Privatization of Public Enterprises</i> (Law No. 8050, October 4, 2006), Article 19</p> <p><i>Financial Investment Services and Capital Markets Act</i> (Law No 9407, Feb. 4, 2009), Article 168</p> <p><i>Foreign Investment Promotion Act</i> (Law No. 9071, March 28, 2008), Articles 4 and 5</p> <p><i>Articles of Incorporation of the Korea Gas Corporation</i> (March 26, 2007), Article 11</p>
Description:	<p><u>Investment</u></p> <p>Foreign persons, in the aggregate, may not own more than 30 percent of the equity of KOGAS.</p>

² Paragraph (a) of the eighth entry of Korea's Schedule set out in Annex II does not apply to this entry.

44. Sector:	Recreational, Cultural, and Sporting Services
Sub-Sector:	Motion Picture Projection Services
Obligations Concerned:	Performance Requirements (Article 9.7) Market Access (Article 10.4)
Level of Government:	Central
Measures:	<i>Act on Promotion of Motion Pictures and Video Products</i> (Law No. 9096, June 5, 2008), Articles 2, 27, and 40 <i>Enforcement Decree of the Act on Promotion of Motion Pictures and Video Products</i> (Presidential Decree No. 21364, March 25, 2009), Article 19
Description:	<u>Investment and Cross-Border Trade in Services</u> Cinema operators must project Korean motion pictures for at least 73 days per year at each screen in Korea.