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**Subject to Legal Review for Accuracy, Clarity, and Consistency**

**ANNEX I**

**Schedule of Korea**

<b>Sector</b>	Construction Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Article 9 of the Framework Act on the Construction Industry (Law No. 7796, Dec. 29, 2005) Article 13 of its Enforcement Decree (Presidential Decree No. 19513, Jun. 12, 2006) Articles 2 and 3 of its Enforcement Regulation (Ordinance of the Ministry of Construction & Transportation No. 530, Aug. 7, 2006) Articles 14 of the Information Technology Facilities Installation Act (Law No. 7817, Dec. 30, 2005) Articles 4 and 5 of Fire Fighting System Installation Business Act(Law No. 7982, Sept. 22, 2006) Article 2, Attached Table 1 of its Enforcement Decree(Presidential Decree No. 19846, Jan. 24, 2007) Article 2 of its Enforcement Regulation(Ordinance of MOGAHA No. 368, Jan. 9, 2007)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies construction services in Korea must establish an office in Korea prior to the signing of the first construction contract related to such services.  A compulsory subcontract system is applied to contractors registered as general contractors. Such compulsory subcontract system will be abolished from January 1, 2008.

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<b>Sector</b>	Leasing or Rental, Maintenance, Repair, Sales and Disposal Services of Construction Machinery and Equipment
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Article 21 of the Construction Machinery Management Act ( Law No. 7545, May 31, 2005) Articles 13, 14, 15 and 15-2 of its Enforcement Decree (Presidential Decree No. 19507, Jun. 12, 2006) Articles 57 through 63, 65-2 and 65-3 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 530, Aug. 7, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies rental, maintenance, repair, sales, and disposal services related to construction machinery must establish an office in Korea.

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**Sector** Transportation Services - Automobile Maintenance, Repair, Sales, Disposal, and Inspection Services; Automobile License Plate Issuing Services

**Obligations Concerned** Local Presence (Article 12.5)  
Market Access (Article 12.4)

**Measures** Articles 20, 44, 45 and 53 of the Automobile Management Act (Law No. 8254, Jan. 19, 2007)

**Description** Cross-Border Trade in Services

A person that supplies automobile management services (used car sales, maintenance, repair, and disposal) must establish an office in Korea and obtain authorization subject to an economic needs test, with the head of the *si/gun/gu*, as appropriate.

A supplier of automobile inspection services that is designated as a “designated repair facility” must establish an office in Korea.

A supplier of license plate manufacturing, delivery, and seal services that is designated as a “license plate issuing agency” must establish an office in Korea.

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<b>Sector</b>	Distribution Services – Wholesale and Retail Distribution of Tobacco and Liquor
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 12, 13, and 16 of the Tobacco Business Act (Law No. 8365, Apr. 11, 2007) Articles 4, 5 and 9 of its Enforcement Decree (Presidential Decree No. 18445, Jun. 29, 2004) Articles 5 through 9, and 11 of its Enforcement Regulations (Ordinance of the Ministry of Finance and Economy No. 512, Jul. 5, 2006) Articles 8, 9, 10, 40 and 43 of the Liquors Act (Law No. 7841, Dec. 31, 2005) Articles 9, 45 and 56 of its Enforcement Decree (Presidential Decree No. 19336, Feb. 9, 2006) Notice of National Tax Service 2005-5 and 8
<b>Description</b>	<u>Cross-Border Trade in Services</u>  < Tobacco >  A person who 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 meters.  <Liquor >  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.  Liquor may not be sold through electronic means or by phone.

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<b>Sector</b>	Agriculture and Livestock
<b>Obligations Concerned</b>	National Treatment (Article 11.3)
<b>Measures</b>	Article 4 of the Foreign Investment Promotion Act (Law No. 8380, Apr. 11, 2007)
<b>Description</b>	<u>Investment</u>  A foreign person may not invest in rice or barley farming, nor hold 50 percent or more of the equity interest of an enterprise engaged in beef cattle farming.

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<b>Sector</b>	Business Services - <i>An-gyung-sa</i> (optician and optometry) services
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Article 12 of the Medical Technicians Act (Law No. 7148, Jan. 29, 2004) Article 15 of its Enforcement Regulations (Ordinance of the Ministry of Health and Welfare Decree No. 333, Oct. 17, 2005)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  Only a licensed <i>an-gyung-sa</i> (optician and optometrist) who has established an office in Korea may engage in the licensed business which includes optometry services.  An <i>an-gyung-sa</i> (optician and optometrist) may not establish more than one office and may not be established in the form of a corporation.



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The wholesale trade services of imported designated *han-yak-jae* (Asian medicinal herbs) shall be subject to supply and demand control by the Minister of Health and Welfare.

The authorization by the relevant authority is required for certain liquor-selling bars and narcotic drug-related businesses.

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<b>Sector</b>	Retail Distribution of Pharmaceuticals
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measure</b>	Articles 16, 19, 21, 35 and 41 of the Pharmaceutical Affairs Act (Law No. 8035, Oct. 4, 2006)
<b>Description</b>	<p><u>Cross-Border Trade in Services</u></p> <p>A person that supplies pharmaceutical product retail distribution services (including <i>han-yak-jae</i> (Asian medicinal herbs)) must establish a pharmacy in Korea.</p> <p>That person may not, however, establish more than one pharmacy nor establish in the form of a corporation.</p>

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<b>Sector</b>	Transportation Services - Rail Transportation and Incidental Services
<b>Obligations Concerned</b>	Market Access (Article 12.4)
<b>Measures</b>	Articles 5, 6, 7, 12, and 34 of the Rail Transport Service Business Act (Law No.7303, Dec. 31, 2004) Article 9 of the Korea Railroad Corporation Act (Law No.7052, Dec. 31, 2003) Article 8 of the Rail Construction Act (Law No.8251, Jan. 19, 2007) Articles 3, 20, 26 and 38 of the Framework Act on Rail Industry Development Act (Law No. 8135, Dec. 30, 2006) Article 7 of the Korea Rail Network Authority Act (Law No. 8257, Jan. 19, 2007)
<b>Description</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only the Korea Railroad Corporation may supply railroad transportation services on railroad routes constructed on or before June 30, 2005.</p> <p>Only juridical persons that have obtained authorization from the Minister of Construction and Transportation, which is subject to an economic needs test, may supply railroad transportation services on railroad routes constructed on or after July 1, 2005.</p> <p>Only the central or local governments, 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.</p>

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<b>Sector</b>	Transportation Services - Passenger Road Transportation Services excluding Taxis and Scheduled Passenger Transportation
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Article 5 of the Passenger Transport Service Act (Law No. 8095, Dec. 26, 2006) Articles 3 and 15 of its Enforcement Decree (Presidential Decree No. 19715, Oct. 26, 2006) Article 9 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 530, Aug. 7, 2006) Article 4 of the Cableway & Tramway Transport Service Act (Law No. 7714, Dec. 7, 2005) Article 3 of its Enforcement Regulations ( Presidential Decree No. 520, Jun. 14, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies passenger road transportation services, excluding taxis and scheduled passenger transportation, must establish an office in the relevant geographic area in Korea.

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<b>Sector</b>	Transportation Services – International Maritime Cargo Transportation and Maritime Auxiliary Services
<b>Obligations Concerned</b>	National Treatment (Article 12.2) Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 24 and 33 of the Maritime Transportation Act (Law No.8381, Apr. 11. 2007) Articles 6 and 20 of the Pilotage Act (Law No. 8379, Apr. 11. 2007) Articles 10-3 of its Enforcement Decree(Presidential Decree No.19577, Jun.29.2006) Article 104 of the Seafarers Act (Law No.8381, Apr. 11, 2007) Article 3 and 31 of the Ship Investment Company Act (Law No. 8223, Jan. 3, 2007)
<b>Description</b>	<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. The same requirement applies to a ship investment company.  Only a Korean national may supply maritime pilotage services.

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<b>Sector</b>	Transportation Services – Air Transportation Services
<b>Obligations Concerned</b>	National Treatment (Article 11.3) Senior Management and Board of Directors (Article 11.9)
<b>Measures</b>	Articles 3, 6, 112, 113, 114 and 132 of the Aviation Act (Law No. 8128, Dec. 28, 2006) Articles 278, 278-2, 298 and 299 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 532, Aug. 18, 2006)
<b>Description</b>	<p><u>Investment</u></p> <p>None of the following persons may supply scheduled or non-scheduled domestic air transportation services or supply international air transportation services as Korean air carriers:</p> <ol style="list-style-type: none"><li>1. a foreign national;</li><li>2. a foreign government or a foreign <i>gong-gong-dan-che</i> (organization for public purposes);</li><li>3. an enterprise organized under foreign law;</li><li>4. an enterprise in which any of those referred to in items 1 through 3 owns 50 percent or more of the equity interest, or has control; or</li><li>5. 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 a foreign national or half or more of whose senior management are foreign nationals.</li></ol> <p>In addition, a person who owns an aircraft or is authorized to operate a chartered aircraft must register the aircraft with the Minister of Construction &amp; Transportation. Registration of aircraft is not permitted to the persons listed in this entry.</p>

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<b>Sector</b>	Transportation Services – Specialty Air Services
<b>Obligations Concerned</b>	National Treatment (Articles 11.3 and 12.2) Senior Management and Board of Directors (Article 11.9) Local Presence (Article 12.5)
<b>Measures</b>	Articles 3, 6 and 134 of the Aviation Act (Law No. 8128, Dec. 28, 2006) Articles 298 and 299-2 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 532, Aug. 18, 2006)
<b>Description</b>	<p><u>Cross-Border Trade in Services and Investment</u></p> <p>A person that supplies aircraft- <i>sa-yong</i> (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 Construction &amp; Transportation and establish an office in Korea. However, the following persons may not register:</p> <ol style="list-style-type: none"><li>1. a foreign national;</li><li>2. a foreign government or a foreign <i>gong-gong-dan-che</i> (organization for public purposes);</li><li>3. an enterprise organized under foreign law;</li><li>4. an enterprise in which any of those referred to in items 1 through 3 owns 50 percent or more of the equity interest, or has control; and</li><li>5. 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 a foreign national or half or more of whose senior management are foreign nationals.</li></ol> <p>For the purpose of this entry, aircraft-<i>sa-yong</i> (use) services are services using an aircraft, and supplied upon request, for hire, other than passenger or freight transportation, which include aerial fire-fighting, forestry fire management, aerial advertising, flight training, aerial mapping, aerial investigation, aerial spraying, aerial photographing and other aerial agricultural activities, aerial inspections and observations, etc.</p>

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<b>Sector</b>	Transportation Services - Road Transportation Support Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 37 and 38 of the Passenger Transport Service Act (Law No. 8095, Dec. 26, 2006) Article 12 of the Parking Lot Service Act (Law No. 7596, Jul. 13, 2005) Article 36 of the Road Traffic Act (Law No. 7969, Jul. 19, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies parking lot services, bus terminal operation services, or car towing and storage services must establish a place of business in the relevant geographic area and obtain an authorization from the Minister of Construction and Transportation, which is subject to an economic needs test.

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<b>Sector</b>	Courier Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Article 139 of the Aviation Act (Law No. 8128, Dec. 28, 2006) Article 306 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 532, Aug. 18, 2006) Articles 3 and 21 of the Trucking Transport Business Act (Law No. 8138, Dec. 30, 2006)
<b>Description</b>	<p><u>Cross-border Trade in Services</u></p> <p>International courier service suppliers whose business scope includes commercial document delivery services as specified in the Article 3 of the Enforcement Decree of the Postal Services Act must establish an office in Korea.</p> <p>To obtain a trucking business license from the Minister of Construction and Transportation, a domestic courier services supplier must establish an office in the relevant geographic area. Such a license is subject to an economic needs test.</p> <p>For greater certainty, acquisition of an existing domestic courier services supplier does not require a new trucking business license to the extent the acquirer operates under the same terms and conditions as set out in the acquiree's license.</p>

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<b>Sector</b>	Telecommunications Services
<b>Obligations Concerned</b>	National Treatment (Articles 11.3 and 12.2) Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 5, 5-2, 6, 6-3, 19, and 59-2 of the Telecommunications Business Act (Law No. 8324, Mar. 29, 2007) Appendix Article 4 of the Telecommunications Business Act (Law No. 5385, Aug. 28, 1997) Articles 13, and 20 of the Radio Waves Act (Law No. 7815, Dec. 30, 2005)
<b>Description</b>	<p><u>Cross-Border Trade in Services and Investment</u></p> <p>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.</p> <p>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 its total voting shares.</p> <p>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, a foreign government, foreign person, or deemed foreign person may not be the largest shareholder, except if it holds less than 5 percent of its total voting shares.</p> <p>No later than 2 years after the date of entry into force of this Agreement, Korea shall permit:</p> <ul style="list-style-type: none"><li>(a) a deemed foreign person to hold up to 100 percent of the total voting shares of a facilities-based supplier of public telecommunications services established in Korea, other than KT and SK Telecom; and</li><li>(b) such a facilities-based supplier in which a deemed foreign person holds up to 100 percent of the total voting shares to obtain or hold a license for facilities-based public telecommunications services.</li></ul>

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A foreign government or its representative, or a foreign person may not obtain nor 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 licensed in Korea.

For the purpose of this entry:

- (a) a juridical person organized under Korean law in which a foreign government or a foreign person (including “specially related person” under subparagraph 3 of Article 36 of the Securities Exchange Act) is the largest shareholder and holds 15 percent or more of that juridical person’s total voting shares is a “deemed foreign person” unless the juridical person holds less than 1 percent of the total voting shares of a facilities-based supplier of public telecommunications services;
- (b) a facilities-based supplier of public telecommunications services is defined in accordance with Article 4.2 of the Telecommunications Business Act (Law No. 8324, Mar. 29, 2007) and is a supplier that owns transmission facilities;
- (c) a non-facilities based supplier of public telecommunications service is defined in accordance with Article 4.3 of the Telecommunications Business Act (Law No. 8324, Mar. 29, 2007) and 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) transmission facilities mean wireline or wireless transmission facilities (including circuit facilities) that connect transmitting points with receiving points, in accordance with subparagraph 3 of Article 2 of the Telecommunications Basic Act (Law No. 7810, Dec. 30, 2005).

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<b>Sector</b>	Real Estate Brokerage and Appraisal Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Article 9 of the Act on Duties of a Licensed Real Estate Broker and Filing of Real Estate Transactions (Law No. 8120, Dec. 28, 2006) Article 13 of its Enforcement Decree (Presidential Decree No. 19507, Jun. 12, 2006) Article 4 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No.530, Aug. 7, 2006) Articles 23 and 27 of the Public Notice of Values and Appraisal of Real Estate Act (Law No. 7707, Dec. 7, 2005) Articles 62, 65, 66 and 68 of its Enforcement Decree (Presidential Decree No. 19463, Apr. 28, 2006) Articles 25, 26 and 27 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 425, Feb. 12, 2005)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies real estate brokerage services or real estate appraisal services must establish an office in Korea.

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<b>Sector</b>	Retail, Rental or Repair Services - Medical Devices
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Articles 15 and 16 of the Medical Devices Act (Law No. 8037, Oct. 4, 2006) Articles 22 and 24 of its Enforcement Regulations (Ordinance of the Ministry of Health and Welfare No. 366, Jul. 27, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies medical device retailing, leasing, rental, or repair services must establish an office in Korea.

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<b>Sector</b>	Rental Services - Automobiles
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Articles 29 and 30 of the Passenger Transport Service Act (Law No. 8095, Dec. 26, 2006) Articles 52 and 53 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 530, Aug. 7, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies automobile rental services must establish an office in Korea.

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<b>Sector</b>	Scientific Research Services and Sea Map Making Services
<b>Obligations Concerned</b>	National Treatment (Articles 11.3 and 12.2)
<b>Measures</b>	Articles 6, 7, and 8 of the Marine Scientific Research Act (Law No. 5809, Feb. 5, 1999) Article 5 of the Territorial Sea and Contiguous Zone Act (Law No. 4986, Dec. 6, 1995)
<b>Description</b>	<u>Cross-Border 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 authorization or consent, respectively, from the Minister of Maritime Affairs and Fisheries whereas a Korean national or a Korean enterprise not owned or controlled by a foreign person need only to provide notification.

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<b>Sector</b>	Professional Services - Legal Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 4, 7, 21, 34, 45, 58-6, 58-22 and 109 of the Attorney-at-law Act (Law No. 8271, Jan. 26, 2007) Article 2, 3, 14, 35 and 74 of the Certified Judicial Scriveners Act (Law No. 7895, Mar. 24, 2006) Articles 10, 16 and 17 of the Notary Public Act (Law No. 7428, Mar. 31, 2005)
<b>Description</b>	<u>Cross-Border Trade in Services</u>

Legal services must be supplied by a *byeon-ho-sa* (Korean-licensed lawyer) registered with the Korean Bar Association. Only a *byeon-ho-sa* (Korean-licensed lawyer) may establish the following legal entities: *beop-yool-sa-mu-so* (law office), *beop-mu-beop-in* (law company with the characteristics of partnership), *beop-mu-beop-in (yoo-han)* (limited liability law company), or *beop-mu-jo-hap* (limited liability partnership law office). For greater certainty, investment in any of these legal entities by a non-Korean-licensed lawyer is not permitted.

Attorneys-at-law or *beop-mu-sa* (certified judicial scriveners) who practice in Korea must establish an office in the jurisdiction of a district court in which they practice. *Gong-jeung-in* (notaries public) must establish an office in the jurisdiction of a district office of the public prosecutor in which they practice.

This entry is subject to the commitments undertaken in the entry for Legal Services – Foreign Legal Consultants in the Schedule to Annex II.

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<b>Sector</b>	Professional Services - Labor Affairs Consulting Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5), Market Access(Article 12.4)
<b>Measures</b>	Articles 5, 6, 7-3 and 7-4 of the Certified Labor Affairs Consultant Act (Law No. 7796, Dec. 29, 2005)
<b>Description</b>	<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 founder) and must obtain authorization from the Minister of Labor.

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<b>Sector</b>	Professional Services - Patent Attorney ( <i>byeon-ri-sa</i> )
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 3, 5, 6-2 and 6-3 of the Patent Attorney Act (Law No. 7870, Mar. 3, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  <i>Byeon-ri-sa</i> (Patent attorney) services must be supplied by a Korean-licensed <i>byeon-ri-sa</i> (patent attorney) registered with the Korean Intellectual Property Office. Only a Korean-licensed <i>byeon-ri-sa</i> (patent attorney) may establish a <i>gae-in-sa-mu-so</i> (sole proprietorship) or <i>teuk-heo-beop-in</i> (patent law firm). For greater certainty, investment in these legal entities by a non-Korean-licensed patent attorney is not permitted. A <i>byeon-ri-sa</i> (patent attorney) may establish only one office.

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<b>Sector</b>	Professional Services - Accounting and Auditing Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 2, 7, 12, 18, and 23 of the Certified Public Accountant Act (Law No.7796, Dec. 29, 2005) Article 3 of External Audit of Stock Companies Act (Law No. 7524, May. 31, 2005)
<b>Description</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only <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 corporations) (limited liability company) established in Korea by <i>gong-in-hoe-gye-sa</i> (certified public accountants) registered under the Certified Public Accountant Act may supply accounting and auditing services. For greater certainty, investment in these legal entities by a non-Korean- registered certified public accountant is not permitted.</p> <p>Only <i>gong-in-hoe-gye-sa</i> (certified public accountants) in an auditing task force or an accounting corporation may provide auditing services regulated under the External Audit of Stock Companies Act.</p> <p>This entry is subject to the commitments undertaken in the entry for Professional Services – Foreign Certified Public Accountant in the Schedule to Annex II.</p>

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<b>Sector</b>	Professional Services - Tax Accountant ( <i>se-mu-sa</i> )
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 6, 13, 16-3 and 20 of the Certified Tax Accountant Act (Law No. 7878, Mar. 24, 2006) Articles 20 and 22 of Guidelines Governing the Work of Tax Agents
<b>Description</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only <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 corporations) (limited liability company) established in Korea by <i>se-mu-sa</i> (certified tax accountants) registered under the Certified Tax Accountant Act may supply <i>se-mu-sa</i> (certified tax accountants) services including tax reconciliation services and tax representative services. For greater certainty, investment in any of these legal entities by a non-Korean-registered certified tax accountant is not permitted.</p> <p>Only a tax reconciliation task force or a tax agency corporation may supply tax reconciliation services.</p> <p>This entry is subject to the commitments undertaken in the entry for Professional Services–Foreign Certified Tax Accountants in the Schedule to Annex II.</p>

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<b>Sector</b>	Professional Services - Customs Clearance Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 3, 7 and 9 of the Customs Broker Act (Law No. 7796, Dec. 29, 2005)
<b>Description</b>	<p><u>Cross-Border Trade in Services</u></p> <p>Only a customs broker (<i>gwan-se-sa</i>) licensed under the Customs Brokers Act, a corporation incorporated by such customs brokers, or a corporation licensed to engage in the customs-clearance brokerage business under the Customs Broker Act may supply customs-clearance services.</p> <p>A person that supplies customs-clearance services must establish an office in Korea.</p>

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<b>Sector</b>	Engineering and Other Technical Services - Industrial Safety, Health Institution, and Consulting Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Articles 15 and 52-4 of the Industrial Safety & Health Act (Law No. 7920, Mar. 24, 2006) Article 15-3 of the Enforcement Decree (Presidential Decree No. 19804, Dec. 29, 2006) Articles 18 and 136-8 of the Ministry of Labor Ordinance (No. 265, Jan. 12, 2007)
<b>Description</b>	<u>Cross-border 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.

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**Sector** Engineering and Other Technical Services - Architectural Services, Engineering Services, Integrated Engineering Services, Urban Planning and Landscape Architectural Services

**Obligations Concerned** Local Presence (Article 12.5)

**Measures** Article 23 of the Certified Architects Act (Law No. 7593, Jul. 13, 2005)  
Articles 22, and 23 of its Enforcement Decree (Presidential Decree No. 19513, Jun. 12, 2006)  
Article 13 of its Enforcement Regulations (Ordinance of the Ministry of Construction and Transportation No. 458, Jul. 18, 2005)  
Article 4 of the Engineering Technology Promotion Act ( Law No. 7428, Mar. 31. 2005)  
Article 6 of the Professional Engineers Act( Law No. 8268, Jan. 26. 2007)  
Article 9 of the Special Act on the Safety Control of Public Structures (Law No. 7923, Mar. 24, 2006)  
Articles 10 and 11 of its Enforcement Decree (Presidential Decree No. 19716, Oct. 26, 2006)  
Articles 25 and 28 of the Construction Technology Management Act (Law No. 7305, Dec. 31, 2004)  
Articles 49 and 54 of its Enforcement Decree (Presidential Decree No.19805, Dec. 29, 2006)  
Article 28 of its Enforcement Regulation (Ordinance of the MOCT No. 545, Dec. 29, 2006)  
Article 8 of the Act on Assessment of Impacts of Works on the Environment, Traffic, Disasters, etc. (Law No. 7573, May. 31, 2005)  
Article 39 of the Surveying Act (Law No. 8071, Dec. 20, 2006)  
Articles 15, 16, and 18 of its Enforcement Decree (Presidential Decree No. 19849, Jan. 24, 2007)  
Article 19 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 530, Aug. 7, 2006)  
Article 17 of the Development of and Support for Environmental Technology Act (Law No. 7820, Dec. 30, 2005)  
Article 7 of Thermal Spring Management Act (Law No. 8343, April. 11, 2007)  
Article 4 of Fire-Fighting System Installation Business Act (Law No. 7982, Sep. 22, 2006)

**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 supply of services by a

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foreign architect through a joint contract with an architect licensed under Korean law.

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**Sector** Business Services - Electronic Billboard Operator Services and Outdoor Advertisement Services

**Obligations Concerned** Performance Requirements (Article 11.8)  
Senior Management and Boards of Directors (Article 11.9)  
Local Presence (Article 12.5)

**Measures** Articles 13 and 73 of the Broadcasting Act (Law No. 8301, Jan. 26, 2007)  
Article 11 of the Outdoor Advertisements, etc Management Act (Law No. 7246, Dec. 23, 2004)  
Articles 31 and 41 of the Enforcement Decree of the Outdoor Advertisements, etc Management Act (Presidential Decree No. 19639, Aug. 4, 2006)

**Description** Cross-Border Trade in Services and Investment

Neither a foreign national nor 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 serve as the *dae-pyo-ja* (for example, a chief executive officer, president, or similar principal senior officer) or chief programmer of an electronic billboard operator.

At least 30 percent of the electric 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.

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<b>Sector</b>	Business Services - Job Placement Services, Labor Supply and Worker Dispatch Services, and Education Services for Seafarers
<b>Obligations Concerned</b>	Local Presence (Article 12.5) National Treatment (Articles 11.3 and 12.2) Market Access (Article 12.4)
<b>Measure</b>	Articles 19 and 33 of the Employment Security Act (Law No. 8249, Jan. 19, 2007) Articles 21 and 33 of its Enforcement Decree (Presidential Decree No. 19602, Jun. 30, 2006) Articles 17 and 36 of its Enforcement Regulation (Ordinance of the Ministry of Labor No. 252, Jun. 30, 2006) Article 7 of the Act Relating to Protection for Dispatched Worker (Law No. 8076, Dec. 21, 2006) Article 3 of its Enforcement Decree (Presidential Decree No. 15828, July 1, 1998) Article 3 of its Enforcement Regulation (Ordinance of the Ministry of Labor No. 255, Jul. 19, 2006) Article 17 of the Act on Designation and Management of Free Economic Zones (Law No. 8283, Jan. 26, 2007) Articles 100, 101, 103, 104, 106, 107, 122-2, and 122-3 of the Seafarers Act (Law No. 8381, Apr. 11, 2007) Article 5 of the Korea Institute of Maritime and Fisheries Technology Act (Law No. 6457, Mar. 28, 2001)
<b>Description</b>	<p><u>Cross-border Trade in Services and Investment</u></p> <p>A person that supplies job placement services for a fee, the worker supply services or the worker dispatch (secondment) services, must establish an office in Korea.</p> <p>Currently, the types of business to which workers may be seconded are limited to the 26 businesses set forth in the Presidential Decree, but the Minister of 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.</p> <p>Only Korea Seafarers Welfare and Employment Center and regional offices of the Minister of Maritime Affairs and Fisheries may supply seafaring labor supply services.</p> <p>To become an agent for seafarer personnel management services, a person must register with the Minister of Maritime Affairs and Fisheries as a stock company under the Korean Commercial Code.</p> <p>Only the Korea Institute of Maritime and Fisheries Technology may provide education and training for seafarers.</p>

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<b>Sector</b>	Investigation and Security Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5) Market Access (Article 12.4)
<b>Measures</b>	Articles 3 and 4 of the Certified Private Security Act (Law No. 7671, Aug. 4, 2005) Articles 3 and 4 of its Enforcement Decree (Presidential Decree No. 18312, Mar. 17, 2004) Article 3 of its Enforcement Regulations (Ordinance of the Ministry of Government Administration and Home Affairs, No.345, Sep. 7, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  Only a juridical person organized under Korean law may supply security services in Korea.  For transparency, only five types of security services are permitted in Korea :  - <i>shi-seol-gyung-bee</i> (facility security) - <i>ho-song-gyung-bee</i> (escort security) - <i>shin-byun-bo-ho</i> (personal security) - <i>gee-gye-gyung-bee</i> (mechanized security) - <i>teuk-soo-gyung-bee</i> (special security)

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<b>Sector</b>	Distribution of Publications
<b>Obligations Concerned</b>	National Treatment (Article 12.2)
<b>Measures</b>	Article 12 of the Publication and Printing Promotion Act (Law No. 7941, Apr. 28, 2006) Article 7 of its Enforcement Decree (Presidential Decree No. 19431, Mar. 29, 2006) Article 7 of its Enforcement Regulations (Ordinance of the Ministry of Culture and Tourism No. 73, Feb. 27, 2003)
<b>Description</b>	<p><u>Cross-Border Trade in Services</u></p> <p>A person that imports foreign publications falling under any of the following categories for the purpose of domestic distribution must obtain a recommendation for import from the Minister of Culture and Tourism whereas domestic publication distributors are subject to ex-post review process on an ad-hoc basis after distribution is made:</p> <ol style="list-style-type: none"><li>1. Publications issued by anti-government subversive entities or groups; or</li><li>2. Novels, comics, photo albums, pictorial series and magazines.</li></ol>

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<b>Sector</b>	Transportation Services - Aircraft Maintenance and Repair Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Articles 137 and 138 of the Aviation Act (Law No. 8128, Dec. 28, 2006) Articles 16, 304 and 305 of its Enforcement Regulations (Ordinance of the Ministry of Construction & Transportation No. 532, Aug. 18, 2006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies aircraft maintenance and repair services must establish an office in Korea.

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<b>Sector</b>	Education Services - Higher Education
<b>Obligations Concerned</b>	National Treatment (Articles 11.3 and 12.2) Market Access (Article 12.4) Senior Management and Boards of Directors (Article 11.9)
<b>Measures</b>	Articles 3, 4, 21, 32, 42, and 43 of the Higher Education Act (Law No. 8240, Jan. 19, 2007) Articles 13 and 28 of the Enforcement Decree of the Higher Education Act (Presidential Decree No. 19842, Jan. 24, 2007) Articles 3, 5, 10, and 21 of the Private School Act (Law No. 7802, Dec. 29, 2005) Article 9-3 of the Enforcement Decree of the Private School Act (Presidential Decree No. 19546, Jun. 23, 2006) Articles 2 and 4 of the Regulation on the Joint Operation of Curricula between Local and Foreign Universities (Feb. 1, 2005)
<b>Description</b>	<p style="text-align: center;"><u>Cross Border Trade in Services and Investment</u></p> <p>At least 50 percent 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, less than two thirds of members of the board of directors of such school may be composed of foreign nationals.</p> <p>For the purpose of this entry, the "basic property" of a higher education institution consists of real estate, property designated as the 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.</p> <p>Only non-profit school juridical persons approved by the Minister of Education and Human Resources Development may establish higher education institutions (other than the types of institutions listed in Annex II) in Korea.</p> <p>The Minister of Education and Human Resources Development may restrict the total number of students per year in such fields as medicine, pharmacology, veterinary medicine, traditional Asian medicine, medical technicians, and higher education for pre-primary, primary and secondary teachers.</p> <p>Higher education institutions for training primary school teachers may be established only by the central or local governments of Korea. Only the central government may establish higher education institutions that supply higher education services to the public through broadcasting.</p>

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<b>Sector</b>	Education Services - Adult Education
<b>Obligations Concerned</b>	National Treatment (Articles 11.3 and 12.2) Market Access (Article 12.4)
<b>Measures</b>	Articles 2, 2-2, and 13 of the Establishment and Operation of Private Teaching Institutes and Extracurricular Lessons Act (Law No. 7974, Sept. 22, 2006) Articles 22, 23, 24, 25, 26, and 27 of the Lifelong Education Act (Law No. 6400, Jan. 29, 2001)
<b>Description</b>	<p style="text-align: center;"><u>Cross Border Trade in Services and Investment</u></p> <p>The types of adult education institutions that a foreign person may establish in Korea are limited to “private teaching institutes for adults” related to lifelong and vocational education and to “lifelong adult education facilities” operated for purposes other than recognizing educational qualifications or conferring diplomas.</p> <p>For 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. “Lifelong adult education facilities” include education facilities annexed to workplaces, non-governmental organizations, schools and media organizations, those related to the development of knowledge and human resources, and on-line lifelong education facilities, all of which are established for adults.</p> <p>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.</p>

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<b>Sector</b>	Education Services - Vocational Competency Development Training Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measure</b>	Articles 28, 32, and 36 of the Workers' Vocational Competency Development Act (Law No. 8294, Jan. 26, 2007) Articles 24 and 26 of its Enforcement Decree of the Act(Presidential Decree No. 18911, Jun. 30, 2005) Articles 12 and 14 of its Enforcement Regulation of the Act(Ordinance of the Ministry of Labor No. 255, Jul. 19, 006)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies vocational competency development training services must establish an office in Korea.

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<b>Sector</b>	Veterinary Services
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Article 17 of Veterinary Affairs Act (Law No. 7546, May 31, 2005) Articles 14, 18, and 24 of the Fish Culture Promotion Act (Law No. 8377, Apr. 11, 2007)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies veterinarian or aquatic animal disease inspection services must establish an office in Korea.

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<b>Sector</b>	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
<b>Obligations Concerned</b>	Local Presence (Article 12.5)
<b>Measures</b>	Article 62 of the Water Quality Conservation Act (Law No. 7459, Mar. 3, 2005) Articles 17 and 18 of the Development of and Support for Environmental Technology Act (Law No. 7820, Dec. 30, 2005) Article 23-7 of the Soil Environment Conservation Act (Law No. 7459, Mar. 31, 2005) Article 29-2 of the Groundwater Act (Law No. 7924, Mar. 24, 2006) Article 40 of the Clean Air Conservation Act (Law No. 7459, Mar. 31, 2005) Article 8 of the Act on Assessment of Impacts of Works on Environment, Traffic and Disasters (Law No. 7573, May 31, 2005) Article 20 of the Toxic Chemicals Control Act (Law No. 7849, Feb. 21, 2006) Article 26 of the Wastes Control Act (Law No. 7459, Mar. 31, 2005) Article 6 of its Enforcement Decree(Presidential Decree No. 18471, Jul. 13, 2004)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A person that supplies the environmental services listed in the Sector heading must establish an office in Korea.

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<b>Sector</b>	Performance Services
<b>Obligations Concerned</b>	National Treatment (Article 12.2)
<b>Measures</b>	Articles 6 and 7 of the Public Performance Act (Law No. 7991, Sep. 27, 2006) Articles 4 and 6 of its Enforcement Decree (Presidential Decree No. 19798, Dec. 29, 2006) Article 4 of its Enforcement Regulations (Ordinance of the Ministry of Culture and Tourism No. 154, Dec. 29, 2006) Article 7 of the Immigration Act (Law No. 7655, Aug. 4, 2005) Article 7 of its Enforcement Decree (Presidential Decree No. 19904, Feb. 28, 2007) Annex 5 of its Enforcement Regulations (Ordinance of the Ministry of Justice No. 609, Mar. 5, 2007)
<b>Description</b>	<u>Cross-Border Trade in Services</u>  A foreign person who intends to perform in Korea, or a person who intends to invite a foreign person to perform in Korea must obtain a recommendation from the Korea Media Rating Board.

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<b>Sector</b>	News Agency( <i>News-tong-sin-sa</i> ) Services
<b>Obligations Concerned</b>	National Treatment (Articles 11.3 and 12.2) Local Presence (Article 12.5) Market Access (Article 12.4) Senior Management and Boards of Directors (Article 11.9)
<b>Measures</b>	Articles 7, 8, 9, 16, and 28 of the News Agency Promotion Act (Law No. 7655, Aug. 4, 2005) Article 4 of its Enforcement Decree (Presidential Decree No. 19507, Jun. 12, 2006) Article 20 of the Radio Wave Act (Law No. 7815, Dec. 30, 2005)
<b>Description</b>	<p><u>Cross-Border Trade in Services and Investment</u></p> <p>A <i>news-tong-sin-sa</i> (news agency) organized under foreign law may supply <i>news-tong-sin</i> (news communications) in Korea only under a contract with a news agency organized under Korean law, such as Yonhap News.</p> <p>None of the following may supply news agency services in Korea :</p> <ol style="list-style-type: none"><li>1. a foreign government or a foreign person;</li><li>2. 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 a person not domiciled in Korea; or</li><li>3. an enterprise organized under Korean law in which a foreign person holds more than a 25 percent equity interest.</li></ol> <p>None of the following may serve as a <i>dae-pyo-ja</i> (for example, a chief executive officer, president, or similar principal senior officer) or an editor of a news agency, or serve as a director of Yonhap News or the News Agency Promotion Committee:</p> <ol style="list-style-type: none"><li>1. a foreign national; or</li><li>2. a Korean national not domiciled in Korea</li></ol> <p>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.</p> <p>None of the following may establish a wireless station:</p> <ol style="list-style-type: none"><li>1. a foreign national;</li><li>2. a foreign government or its representative; or</li><li>3. an enterprise organized under foreign law.</li></ol>

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<b>Sector</b>	Manufacture of Biological Products
<b>Obligations Concerned</b>	Performance Requirements (Article 11.8)
<b>Measures</b>	Article 34 of the Pharmaceutical Affairs Act (Law No. 8035, Oct. 4, 2006) Article 21 of its Enforcement Regulations (Ordinance of the Ministry of Health and Welfare No. 372, Oct. 24, 2006)
<b>Description</b>	<u>Investment</u>  A person who manufactures blood products must procure raw blood materials from a blood management body in Korea.

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<b>Sector</b>	Publishing of Periodicals(Excluding Newspapers)
<b>Obligations Concerned</b>	National Treatment (Articles 11.3 and 12.2) Local Presence (Article 12.5) Market Access (Article 12.4) Senior Management and Boards of Directors (Article 11.9)
<b>Measures</b>	Articles 13, 14, and 26 of the Act on the Guarantee of Freedom and Function of Newspapers, Etc. (Law No. 7655, Aug. 4, 2005) Articles 17, 18, 19, and 20 of its Enforcement Decree (Presidential Decree No. 19507, Jun. 12, 2006)
<b>Description</b>	<p><u>Cross-Border Trade in Services and Investment</u></p> <p>The publisher or the editor in chief of periodicals must be a Korean national.</p> <p>None of the following may publish periodicals in Korea :</p> <ol style="list-style-type: none"><li>1. a foreign government or a foreign person;</li><li>2. 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</li><li>3. an enterprise organized under Korean law in which a foreign person holds more than 50 percent of share or equity interest.</li></ol> <p>A foreign publisher may establish a branch or office in Korea subject to authorization from the Minister of Culture and Tourism. For the purpose of this entry only, 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.</p>

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<b>Sector</b>	Distribution Services – Agriculture and Livestock
<b>Obligations Concerned</b>	Market Access (Article 12.4) National Treatment (Articles 11.3 and 12.2)
<b>Measures</b>	Article 12 of the Grain Management Act (Law No. 7433, Mar. 31, 2005), Articles 24 and 27 of the Livestock Industry Act (Law No. 06821, Dec. 26, 2002), Article 142 of the Seed Industry Act (Law No. 7678, Aug. 4, 2005), Article 6 of the Feed Management Act (Law No. 7428, Mar. 31, 2005), Article 20 of the Ginseng Industry Act (Law No. 7275, Dec. 31, 2004), Article 4 of the Foreign Investment Promotion Act (Law No. 8380, Apr. 11, 2007) Articles 15, 17, and 43 of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products (Law No. 7311, Dec. 31, 2004) Articles 14 and 20-2 of the Notice on TRQ Products (MOAF Notice No. 2006-76, Dec 30, 2006)
<b>Description</b>	<p style="text-align: center;"><u>Cross-Border Trade in Services and Investment</u></p> <p>A foreign person may not hold 50 percent or more of share or equity interest of an enterprise engaged in <i>yook-ryu</i> (meat) wholesaling.</p> <p>A <i>ga-chook-sijang</i> (livestock market) in the territory of Korea may only be established and managed by Livestock Cooperatives under the Agriculture Cooperative Act.</p> <p><i>Gong-yeong-domae-sijang</i> (public wholesale market) must be established by local government.</p> <p><i>Gong-pan-jang</i> (joint wholesale market) must be established by the producers' organizations, or public interest corporations, prescribed in the Presidential Decree of the Act on Distribution and Price Stabilization of Agricultural and Fishery Products.</p> <p>For greater certainty, Article 12.2 and Article 12.4 do not prevent Korea from adopting or maintaining any measure with respect to the administration of the WTO Tariff-Rate-Quota.</p>

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<b>Sector</b>	Communication Services - Broadcasting Services
<b>Obligations Concerned</b>	Market Access (Article 12.4) National Treatment (Articles 11.3 and 12.2) Local Presence (Article 12.5) Performance Requirement (Article 11.8) Senior Management and Board of Directors (Article 11.9)
<b>Reservation Measure</b>	Articles 8, 9, 12, 13 through 18, 37, 48, 69 through 71 and 78 of the Broadcasting Act (Law No. 8301, Jan. 26, 2007) Article 11 of the Korea Education Broadcasting Corporation Act (Law No. 6970, Aug. 21, 2003) KBC's Notice on Programming Ratio(Notice No. 2005-2) KBC's Notice on Programming Ratio for Terrestrial Digital Multimedia Broadcasting and Program Provider Using the Terrestrial Broadcasting Channel(Notice No. 2006-1)

**Description:** Cross-Border Trade in Services and Investment

Neither a foreign national nor 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 serve as a *dae-pyo-ja* (for example, 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 KBS and 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 of Korea, or a juridical person organized under the laws of Korea.

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 of Korea, a Korean person.

Such 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*

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(permission), whereas such 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 or 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).

No later than 3 years after the date of entry into force of this Agreement, a deemed foreign person shall be permitted to hold up to 100 percent of the equity interest in a program provider that is not engaged in *jong-hap-pyeon-sung* (multi-genre programming), *bo-do* (news reporting), or home shopping.

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., MBC established under *the Broadcasting Culture Promotion Act*).

A terrestrial broadcaster, program provider, cable system operator or satellite broadcasting operator must include, as set forth below, a certain percentage of Korean content in their quarterly programming or a certain percentage of Korean content for genre, measured annually.

80 percent of quarterly programming hours of a terrestrial broadcaster or program provider that uses terrestrial broadcasting to provide its programming must be Korean content.

50 percent of quarterly programming hours of a cable system operator or a satellite broadcasting operator must be Korean content.

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50 percent of quarterly programming hours per channel of a program provider that does not use terrestrial broadcasting to provide its programming must be Korean content.

The following requirements apply to terrestrial broadcaster providing programming in the following genres:

Animation: 45% of the broadcaster's annual animation programming hours must be Korean content;

Movies: 25% of the broadcaster's annual movie programming hours must be Korean content;

Music: 60% of the broadcaster's annual music programming hours must be Korean content.

The following requirements apply to a cable system operator, satellite broadcasting operator or program provider providing programming in the following genres, per channel:

Animation: 30 percent of the broadcaster's annual animation programming hours must be Korean content;

Movies: 20 percent of the broadcaster's annual movie programming hours must be Korean content;

Music: 60 percent of the broadcaster's annual music programming hours must be Korean content.

Certain separate content quota requirements apply to a broadcaster specialized in religious programming or education programming, or a terrestrial digital multimedia broadcasting (DMB) operator. A satellite DMB operator is subject to content quota requirements applied to a satellite broadcasting operator.

No more than 60 percent of the quarterly programming hours per genre of a terrestrial broadcaster, cable system operator, satellite broadcasting operator, or program provider may be foreign content of a single country (single-country content ceiling). No later than the date of entry into force of this Agreement, Korea shall ensure that the single-country content ceiling is no less than 80 percent.

For the purpose of this entry:

- (a) 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.;

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(b) a deemed foreign person means a juridical person organized under the laws of Korea in which a foreign government or a foreign person holds in the aggregate more than 50 percent of its total issued stocks or equity interest, or whose the 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.

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**Sector** Energy Industry - Electric Power Generation Other Than Nuclear Power Generation; Electric Power Transmission, Distribution and Sales

**Obligations Concerned** National Treatment (Article 11.3)

**Reservation Measure** Article 203 of the Securities and Exchange Act (Law No. 8315, Mar. 29, 2007)

Article 87-2 of its Enforcement Decree (Presidential Decree No. 19806, Dec. 29, 2006)

Articles 4 and 5 of the Foreign Investment Promotion Act (Law No. 8380, Apr. 11, 2007)

Article 5 of its Enforcement Decree (Presidential Decree No. 19826, Jan. 5, 2007)

**Description** Investment

The aggregate foreign share of the KEPCO's issued stocks may not exceed 40 percent and a foreign person may not become the largest shareholder of the KEPCO.

The aggregate foreign share of power generation facilities in capacity, including cogeneration facilities of heat and power (GHP) for the district heating system (DHS), may not exceed 30 percent of the total capacity in the territory of Korea.

The aggregate foreign share in transmission, distribution and sales businesses should be less than 50 percent. A foreign person may not be the largest shareholder.

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<b>Sector</b>	Energy Industry - Gas Industry
<b>Obligations Concerned</b>	National Treatment (Article 11.3)
<b>Reservation Measures</b>	Article 19 of the Act on the Improvement of Managerial Structure and Privatization of Public Enterprises (Law No. 8050, Oct. 4, 2006) Article 203 of the Securities and Exchange Act (Law No. 8315, Mar. 29, 2007) Articles 4 and 5 of the Foreign Investment Promotion Act (Law No. 8380, Apr. 11, 2007)
<b>Description</b>	<u>Investment</u>  Foreign persons, in the aggregate, may not own more than 30 percent of the share of KOGAS.

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<b>Sector</b>	Recreational, Cultural and Sporting Services - Motion Picture Services
<b>Obligations Concerned</b>	Market Access (Article 12.4) Performance Requirements (Article 11.8)
<b>Measures</b>	Articles 2, 27 and 40 of the Act on Promotion of Motion Pictures and Video Products (Law No. 8280, Jan. 26, 2007) Article 19 of its Enforcement Decree (Presidential Decree No. 19714, Oct. 26, 2006)
<b>Description</b>	<u>Cross-Border Services in Trade and Investment</u>  Korean motion pictures must be projected for at least 73 days per year at each screen in Korea.