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Proposal for a

COUNCIL DECISION

on the signing on behalf of the European Community and provisional application of the Framework Agreement between the European Community and its Member States, of the one part, and the Republic of Korea, of the other part

EXPLANATORY MEMORANDUM

Acting on a recommendation from the Commission (December 2007), the Council authorised the Commission to negotiate a new Framework Agreement with the Republic of Korea (hereinafter 'Korea') in May 2008. Korea is increasingly active on the international scene as a like-minded country committed to human rights, free markets and multilateralism. Next to a thriving trade and investment relationship, cooperation is also expanding in areas such as science and technology, education, climate change and development assistance. Political dialogue has also deepened in recent years, particularly (but not exclusively) focused on North Korea. This new Framework Agreement, negotiated in parallel with a comprehensive Free Trade Agreement (FTA), will establish a fully coherent modernised framework for bilateral relations. Following successful negotiations, the negotiators initialled the Framework Agreement on 14 October 2009.

The Framework Agreement forms the contractual basis for our relationship with Korea and is underpinned by a broad set of common principles and shared values. Its objective is to offer Korea a broad basis for cooperation with the EU, including on major political and global issues. It includes modern and comprehensive provisions on economic cooperation. It allows for cooperation in the field of justice, freedom and security (e.g. combating organised crime and corruption, drugs and money laundering, migration, protection of personal data, etc.) as well as on good governance in the field of taxation. It introduces a basis for working together on global issues such as: climate change; security of energy supply; approaches to labour issues, education and other issues relating to structural change in the world economy; proliferation of weapons of mass destruction; terrorism; and a shared understanding on the need to prosecute the most serious crimes of concern to the international community. It also clarifies the relationship between, on the one hand, the Framework Agreement and, on the other hand, specific sectoral agreements (both existing and future), including the FTA. Such agreements are considered to form “an integral part of overall bilateral relations as governed by [the Framework-Agreement]” and to “form part of a common institutional framework”.

The Framework Agreement will be the first contractual instrument of its kind concluded by the EU with a developed country. When in force, the Framework Agreement will form the basis for a Strategic Partnership with Korea, in line with the outcome of the 4th EU-Korea Summit held in Seoul on 23 May 2009.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 133, 181a in conjunction with 300(2) thereof,

Having regard to the proposal from the Commission¹,

Whereas:

- (1) On 7 May 2008, the Council authorised the Commission to negotiate a Framework Agreement, hereinafter referred to as 'the Agreement', with the Republic of Korea
- (2) Subject to its possible conclusion at a later date, the Agreement should be signed and provisionally applied,

HAS DECIDED AS FOLLOWS:

Article 1

The signing of the Framework Agreement between the European Community and its Member States, of the one part, and the Republic of Korea, of the other part, is hereby approved on behalf of the Community, subject to the Council Decision concerning the conclusion of the said Agreement.

The text of the Agreement is attached to this Decision.

Article 2

Pending the completion of the necessary procedures for its entry into force, the Agreement shall be applied on a provisional basis. The provisional application begins on the first day of the first month following the date on which parties have notified each other of the completion of the necessary procedures for provisional application.

¹ OJ C [...], [...], p. [...].

Article 3

The President of the Council is hereby authorised to designate the person(s) empowered to sign the Agreement on behalf of the Community.

Done at Brussels, [...]

*For the Council
The President
[...]*

ANNEX

FRAMEWORK AGREEMENT

**Between the European Community and its Member States, on the one part, and
the Republic of Korea, on the other part**

THE EUROPEAN COMMUNITY, hereinafter referred to as ‘the Community’,

and

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

IRELAND,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBOURG,

THE REPUBLIC OF HUNGARY,

THE REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,
THE REPUBLIC OF FINLAND,
THE KINGDOM OF SWEDEN,
THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

Contracting Parties to the Treaty establishing the European Community and the Treaty on European Union, hereinafter referred to as ‘the Member States’,

On the one part, and

THE REPUBLIC OF KOREA,

On the other part,

Hereinafter jointly referred to as ‘the Parties’,

CONSIDERING their traditional links of friendship and the historical, political and economic ties which unite them;

RECALLING the Framework Agreement for Trade and Cooperation between the European Community and its Member States, on the one hand, and the Republic of Korea, on the other hand, signed in Luxembourg on 28 October 1996 and entered into force on 1 April 2001;

MINDFUL of the accelerated process whereby the European Union is acquiring its own identity in foreign policy and in the field of security and justice;

CONSCIOUS of the growing role and responsibility assumed by the Republic of Korea in the international community;

STRESSING the comprehensive nature of their relationship and the importance of continuous efforts to maintain overall coherence;

CONFIRMING their desire to maintain and develop their regular political dialogue, which is based on shared values and aspirations;

EXPRESSING their common will to elevate their relations into a strengthened partnership including in the political, economic, social and cultural fields;

DETERMINED in this regard to consolidate, deepen and diversify relations in areas of mutual interest, at the bilateral, regional and global levels and on the basis of equality, respect of sovereignty, non-discrimination and mutual benefit;

REAFFIRMING the strong attachment of the Parties to democratic principles and human

rights as laid down in the Universal Declaration of Human Rights and other relevant international human rights instruments as well as to the principles of the rule of law and good governance;

REAFFIRMING their determination to fight against serious crimes of international concern and their conviction that the effective prosecution of the most serious crimes of international concern must be ensured by taking measures at a national level and by enhancing global collaboration;

CONSIDERING that terrorism is a threat to global security and wishing to intensify their dialogue and cooperation in the fight against terrorism, in accordance with relevant international instruments, in particular Resolution 1373 of the United Nations Security Council, and reaffirming respect for human rights and the rule of law to be the fundamental basis of the fight against terrorism;

SHARING the view that the proliferation of weapons of mass destruction (WMD) and their means of delivery pose a major threat to international security, recognising the commitment of the international community to fight against such proliferation as expressed in the adoption of relevant international conventions and Resolutions of the United Nations Security Council, in particular Resolution 1540, and wishing to strengthen their dialogue and cooperation in this area;

RECOGNISING the need for enhanced cooperation in the field of justice, freedom and security;

RECALLING in this regard that the provisions of the Agreement that fall within the scope of Part III, Title IV of the Treaty establishing the European Community bind the United Kingdom and Ireland as separate Contracting Parties, and not as part of the European Community, until the United Kingdom or Ireland (as the case may be) notifies the Republic of Korea that it has become bound as part of the European Community in accordance with the Protocol on the position of the United Kingdom and Ireland annexed to the Treaty on European Union and the Treaty establishing the European Community, and that the same applies to Denmark, in accordance with the Protocol annexed to those Treaties on the position of Denmark;

RECOGNISING their desire to promote sustainable development in its economic, social and environmental dimensions;

EXPRESSING their commitment to ensuring a high level of environmental protection and their determination to cooperate in combating climate change;

RECALLING their support for a fair globalisation and for the goals of full and productive employment as well as decent work for all;

RECOGNISING that trade and investment flows have thrived between the Parties based on the global rules-based trading system under the auspices of the World Trade Organization;

DESIROUS OF securing the conditions for and promoting the sustainable increase and development of trade and investment between the Parties to their mutual advantage, *inter alia* by establishing a free trade area;

CONCURRING on the need to exert collective efforts to respond to global issues such as terrorism, serious crimes of international concern, the proliferation of weapons of mass destruction and their means of delivery, climate change, energy and resources insecurity, poverty and financial crisis;

DETERMINED to strengthen cooperation in sectors of mutual interest, notably promoting democratic principles and respect for human rights, countering the proliferation of weapons of mass destruction; combating illicit trade of small arms and light weapons; taking measures against the most serious crimes of concern to the international community; combating terrorism; cooperation in regional and international organisations; trade and investment; economic policy dialogue; business cooperation; taxation; customs; competition policy; information society; science and technology; energy; transport; maritime transport policy; consumer policy; health; employment and social affairs; environment and natural resources; climate change; agriculture, rural development and forestry; marine and fisheries; development assistance; culture, information, communication, audiovisual and media; education; rule of law; legal cooperation; personal data protection; migration; combating illicit drugs; combating organised crime and corruption; combating money laundering and terrorism financing; combating cyber crime; law enforcement; tourism; civil society; public administration; and statistics;

MINDFUL of the importance of facilitating the involvement in cooperation of the individuals and entities directly concerned, in particular economic operators and the bodies representing them;

RECOGNISING the desirability of raising the roles and profiles of both Parties in each other's regions and of fostering people-to-people contacts between the Parties;

HAVE AGREED AS FOLLOWS:

TITLE I

BASIS AND SCOPE

Article 1

Basis for cooperation

1. The Parties confirm their attachment to democratic principles, human rights and fundamental freedoms, and the rule of law. Respect for democratic principles and human rights and fundamental freedoms as laid down in the Universal Declaration of Human Rights and other relevant international human rights instruments, which reflect the principle of the rule of law, underpins the internal and international policies of both Parties and constitutes an essential element of this Agreement.
2. The Parties confirm their attachment to the Charter of the United Nations and their support for the shared values expressed therein.

3. The Parties reaffirm their commitment to promoting sustainable development in all its dimensions, economic growth, contributing to the attainment of internationally agreed development goals, and cooperating to address global environmental challenges, in particular climate change.
4. The Parties reaffirm their attachment to the principles of good governance and the fight against corruption, notably taking into account their international obligations.
5. The Parties underline their shared attachment to the comprehensive nature of bilateral relations and to maintaining overall coherence in this regard.
6. The Parties agree to elevate their relations into a strengthened partnership and to develop cooperation areas at the bilateral, regional and global levels.
7. The implementation of this Agreement between Parties sharing the same values and respect shall therefore be based on the principles of dialogue, mutual respect, equal partnership, multilateralism, consensus and respect for international law.

Article 2

Aims of cooperation

1. With a view to enhancing their cooperation, the Parties undertake to intensify their political dialogue and to boost further their economic relations. Their efforts will in particular be aimed at:
 - a) agreeing on a future vision for strengthening their partnership and developing joint projects to implement this vision;
 - b) conducting regular political dialogues;
 - c) promoting collective efforts in all relevant regional and international fora and organisations to respond to global issues;
 - d) fostering economic cooperation in areas of mutual interest, including scientific and technological cooperation, with a view to diversifying trade to their mutual advantage;
 - e) encouraging cooperation between businesses by facilitating investment on both sides and by promoting better mutual understanding;
 - f) strengthening respective participation in each other's cooperation programmes open to the other Party;
 - g) raising the roles and profiles of both Parties in each other's regions, through various means including cultural exchanges, use of information technology, and education;
 - h) promoting people-to-people contacts and understanding.

- 2) Building on their well-established partnership and shared values, the Parties agree to develop their cooperation and dialogue on all issues of common interest. Their efforts will in particular be aimed at:
- a) strengthening political dialogue and cooperation, notably on human rights; non-proliferation of weapons of mass destruction; small arms and light weapons; the most serious crimes of concern to the international community; and counter-terrorism;
 - b) strengthening cooperation in all trade and investment-related areas of mutual interest and securing the conditions for the sustainable increase of trade and investment between the Parties to their mutual advantage;
 - c) strengthening cooperation in the area of economic cooperation, notably economic policy dialogue; business cooperation; taxation; customs; competition policy; information society; science and technology; energy; transport; maritime transport policy; and consumer policy;
 - d) strengthening cooperation in the area of sustainable development, notably health; employment and social affairs; environment and natural resources; climate change; agriculture, rural development and forestry; marine and fisheries; and development assistance;
 - e) strengthening cooperation in the area of culture, information, communication, audiovisual and media; and education;
 - f) strengthening cooperation in the field of justice, freedom and security, notably rule of law; legal cooperation; personal data protection; migration; combating illicit drugs; combating organised crime and corruption; combating money laundering and terrorism financing; combating cyber crime; and law enforcement;
 - g) strengthening cooperation in other areas of common interest, notably tourism; civil society; public administration; and statistics.

TITLE II

POLITICAL DIALOGUE AND COOPERATION

Article 3

Political dialogue

1. A regular political dialogue, based on shared values and aspirations, will be established between the Republic of Korea and the European Union. This dialogue will take place in accordance with the procedures agreed between the Republic of Korea and the European Union.
2. The political dialogue will aim to:

- a) underline the Parties' commitment to democracy and respect for human rights and fundamental freedoms;
 - b) promote peaceful solutions to international or regional conflicts and the strengthening of the United Nations and other international organizations;
 - c) enhance policy consultations on international security matters such as arms control and disarmament, non-proliferation of weapons of mass-destruction, and the international transfer of conventional weapons;
 - d) reflect on major international issues of common interest by increasing the exchange of relevant information both between the two parties and within international fora;
 - e) enhance consultations on issues of particular interest to the countries of the Asia-Pacific and European regions, for the promotion of peace, stability and prosperity in both regions.
3. Dialogue between the Parties will take place through contacts, exchanges and consultations, particularly in the following forms:
- a) summit meetings at leaders' level will be held whenever the Parties deem it necessary;
 - b) annual consultations at ministerial level will be held wherever the Parties agree;
 - c) briefings on major foreign and domestic developments at senior officials' level;
 - d) sectoral dialogues on issues of common interest;
 - e) exchanges of delegations between the European Parliament and the National Assembly of the Republic of Korea.

Article 4

Countering the proliferation of Weapons of Mass Destruction

1. The Parties consider that the proliferation of weapons of mass destruction and their means of delivery, both to state and non-state actors, represents one of the most serious threats to international stability and security.
2. The Parties therefore agree to cooperate in and contribute towards countering the proliferation of weapons of mass destruction and their means of delivery through full implementation of their respective existing legal obligations relating to disarmament and non-proliferation and other relevant instruments agreed by both Parties. The Parties agree that this provision constitutes an essential element of this Agreement.
3. The Parties furthermore agree to cooperate and to contribute to countering the proliferation of weapons of mass destruction and their means of delivery by:

- a) taking steps to sign, ratify, or accede to, as appropriate, and fully implement all other relevant international instruments;
 - b) the establishment of an effective system of national export controls to prevent the proliferation of WMD and related goods and technologies, including end-user controls and appropriate civil and criminal penalties for breaches of export controls.
4. The Parties agree that their political dialogue will accompany and consolidate these elements.

Article 5

Small Arms and Light Weapons

1. The Parties recognise that the illicit manufacture, transfer and circulation of small arms and light weapons, including their ammunition, and their excessive accumulation, poor management, inadequately secured stockpiles and uncontrolled spread continue to pose a serious threat to peace and international security.
2. The Parties agree to implement their respective commitments to deal with the illicit trade in small arms and light weapons, including their ammunition, within the framework of international instruments including the UN Programme of Action to prevent, combat and eradicate the illicit trade in SALW in all its aspects (UN PoA) and the International Instrument to Enable States to Identify and Trace, in a Timely and Reliable Manner, Illicit Small Arms and Light Weapons (ITI) as well as obligations deriving from UN Security Council resolutions.
3. The Parties undertake to cooperate and to ensure coordination, complementarity and synergy in their efforts to deal with the illicit trade in small arms and light weapons and ammunition, at global, regional, sub-regional and national levels.

Article 6

The most serious crimes of concern to the international community

1. The Parties reaffirm that the most serious crimes of concern to the international community as a whole must not go unpunished and that their effective prosecution must be ensured by taking measures at the national level and by enhancing international cooperation, as appropriate, including the International Criminal Court. The Parties agree to fully support the universality and integrity of the Rome Statute of the International Criminal Court and related instruments.
2. The Parties agree that a dialogue between them on these matters would be beneficial.

Article 7

Cooperation in combating terrorism

1. The Parties, reaffirming the importance of the fight against terrorism, and in accordance with applicable international conventions, including international

humanitarian, human rights and refugee law, as well as with their respective legislation and regulations, and, taking into account the UN Global Counter-Terrorism Strategy, contained in the UN General Assembly Resolution no.60/288 of 8 September 2006, agree to cooperate in the prevention and suppression of terrorist acts.

2. The Parties shall do so in particular:
 - a) in the framework of implementation of Resolutions of the UN Security Council and their respective obligations under other relevant international conventions and instruments;
 - b) by exchange of information on terrorist groups and their support networks, in accordance with international and national law;
 - c) by exchanges of views on means and methods used to counter terrorism, including in technical fields and training, and by exchange of experiences in respect of terrorism prevention;
 - d) by cooperating to deepen the international consensus on the fight against terrorism including the legal definition of terrorist acts, as appropriate, and in particular by working towards an agreement on the Comprehensive Convention on International Terrorism;
 - e) by sharing relevant best practices in the area of protection of human rights in the fight against terrorism.

TITLE III

COOPERATION IN REGIONAL AND INTERNATIONAL ORGANISATIONS

Article 8

Cooperation in regional and international organisations

The Parties undertake to cooperate and exchange views in regional and international fora and organisations such as the United Nations, the International Labour Organisation (ILO), the Organisation for Economic Cooperation and Development (OECD), the World Trade Organisation (WTO), the Asia-Europe Meeting (ASEM) and ASEAN Regional Forum (ARF).

TITLE IV

COOPERATION IN THE AREA OF ECONOMIC DEVELOPMENT

Article 9

Trade and investment

1. The Parties undertake to cooperate in securing the conditions for and promoting the sustainable increase and development of trade and investment between them to their mutual advantage. The Parties shall engage in dialogue and strengthen cooperation in all trade-and investment-related areas of mutual interest, in order to facilitate sustainable trade and investment flows, to prevent and remove obstacles to trade and investment, and to advance the multilateral trade system.
2. To this end, the Parties shall give effect to their cooperation in the trade and investment area through the agreement establishing a free trade area. The aforementioned agreement shall constitute a specific agreement giving effect to the trade provisions of this Agreement, within the terms of Article 43.
3. The Parties shall keep each other informed and exchange views concerning the development of bilateral and international trade, investment and related policies and issues.

Article 10

Economic policy dialogue

1. The Parties agree to strengthen the dialogue between their authorities and to promote the exchange of information and the sharing of experiences on macroeconomic policies and trends.
2. The Parties agree to strengthen dialogue and cooperation with a view to improving accounting, auditing, supervisory and regulatory systems in banking, insurance and other parts of the financial sector.

Article 11

Business cooperation

1. The Parties, taking into account their respective economic policies and objectives, agree to promote industrial policy cooperation in all fields deemed suitable particularly with a view to improving the competitiveness of small and medium-sized enterprises (SMEs), inter alia, through:
 - a) exchanging information and experiences on creating framework conditions for small and medium-sized enterprises to improve their competitiveness and on procedures related to the creation of SMEs;
 - b) promoting contacts between economic operators, encouraging joint investments and establishing joint ventures and information networks notably through existing programmes;
 - c) facilitating access to finance and marketing, providing information and stimulating innovation;

- d) facilitating the activities established by small and medium-sized enterprises of both sides;
 - e) promoting corporate social responsibility and accountability and encouraging responsible business practices, including sustainable consumption and production.
2. The Parties shall facilitate the relevant cooperation activities established by the private sectors of both sides.

Article 12

Taxation

With a view to strengthening and developing economic activities while taking into account the need to develop an appropriate regulatory framework, the Parties recognise and commit themselves to implement in the tax area the principles of transparency, exchange of information and fair tax competition. To that effect, in accordance with their respective competences, the Parties will improve international cooperation in the tax area, facilitate the collection of legitimate tax revenues, and develop measures for the effective implementation of the above mentioned principles.

Article 13

Customs

The Parties shall cooperate in the customs field on a bilateral and multilateral basis. To this end, they shall in particular share experiences and examine possibilities to simplify procedures, increase transparency and develop cooperation. They shall also seek convergence of views and joint action in relevant international frameworks.

Article 14

Competition policy

1. The Parties shall foster fair competition in economic activities by fully enforcing their competition laws and regulations.
2. In pursuit of the goal of paragraph 1 and in accordance with the Agreement between the Government of the Republic of Korea and the European Community concerning cooperation on anti-competitive activities, the Parties shall undertake to cooperate in:
 - a) recognising the importance of competition law and competition authorities and striving to proactively enforce the law in order to create an environment for fair competition;
 - b) sharing information and enhancing cooperation between competition authorities.

Article 15

Information society

1. Recognising that Information and Communication Technologies are key elements of modern life and of vital importance to economic and social development, the Parties agree to exchange views on their respective policies in this field.
2. Cooperation in this area shall, inter alia, focus on:
 - a) exchanging views on the different aspects of the Information Society, in particular electronic communications policies and regulation including universal service, licensing and general authorisations, protection of privacy and personal data, and the independence and efficiency of the regulatory authority;
 - b) interconnection and interoperability of research networks and services, including in a regional context;
 - c) standardisation and dissemination of new information and communication technologies;
 - d) promotion of research cooperation between the Parties in the area of Information and Communication Technologies;
 - e) security issues/aspects of information and communication technologies including promotion of online safety, combating cyber crime and misuse of information technology and all forms of electronic media.
3. Business-to-business cooperation shall be encouraged.

Article 16

Science and technology

The Parties shall encourage, develop and facilitate cooperative activities in the areas of science and technology for peaceful purposes, in accordance with the Agreement on the Scientific and Technological Cooperation between the European Community and the Government of the Republic of Korea.

Article 17

Energy

1. The Parties recognise the importance of the energy sector to economic and social development and shall endeavour, within the scope of their respective competences, to enhance cooperation in this field with a view to:
 - a) diversifying energy supplies in order to strengthen energy security and to develop new, sustainable, innovative and renewable forms of energy,

including, inter alia, biofuels and biomass, wind and solar energy as well as hydro power generation;

- b) supporting the development of policies to render renewable energy more competitive;
 - c) achieving rational use of energy with contributions from both supply and demand sides by promoting energy efficiency in energy production, transportation, distribution and end-use;
 - d) fostering the transfer of technology aimed at sustainable energy production and energy efficiency;
 - e) enhancing capacity-building and facilitation of investment in the field of energy taking into account principles of transparency, non-discrimination and market-compatibility;
 - f) promoting competition in the energy market;
 - g) exchanging views on developments in the global energy markets, including impact on developing countries.
2. To these ends, the Parties will work as appropriate to promote, particularly through existing regional and international frameworks, the following cooperative activities:
- a) cooperation in energy policy-making and exchange of information relevant to energy policies;
 - b) exchange of information on status and trends in the energy market, industry and technology;
 - c) conduct of joint studies and research;
 - d) increase of trade and investment in the energy sector.

Article 18

Transport

1. The Parties shall endeavour to cooperate in all relevant areas of transport policy, including integrated transport policy, with a view to improving the movement of goods and passengers, promoting maritime and aviation safety and security, environmental protection, and increasing the efficiency of their transport systems.
2. Cooperation between the Parties in this area shall aim to promote:
 - a) exchanges of information on their respective transport policies and practices, especially regarding urban, rural, inland waterway, air and maritime transport, including their logistics and the interconnection and interoperability of multimodal transport networks, as well as the management of road, railways, ports and airports;

- b) a dialogue and joint actions in the field of air transport in areas of mutual interest, including the agreement on certain aspect of air services and the examination of possibilities for further development of relations, as well as technical and regulatory cooperation in areas such as aviation safety, security, environment, air traffic management, application of competition law and economic regulation of the air transport industry, with a view to supporting regulatory convergence and removal of obstacles to doing business. On this basis, the Parties will explore more comprehensive cooperation in the area of civil aviation;
 - c) cooperation on the reduction in the greenhouse gas emissions in transport sector;
 - d) cooperation in terms of international transport fora;
 - e) the implementation of security, safety, and pollution prevention standards, notably as regards maritime transport and aviation, in line with the relevant international conventions applicable to both Parties, including cooperation in the appropriate international fora aimed at ensuring better enforcement of international regulations.
3. As regards civil global satellite navigation, the Parties shall cooperate in accordance with the Cooperation Agreement on a Civil Global Navigation Satellite System (GNSS) between the European Community and its Member States, of the one part, and the Republic of Korea, of the other part.

Article 19

Maritime transport policy

1. The Parties undertake to move towards the goal of unrestricted access to the international maritime market and traffic based on fair competition on a commercial basis, in accordance with the provisions of this article.
2. In pursuit of the goal of paragraph 1, the Parties shall:
 - a) not introduce cargo-sharing arrangements in future bilateral agreements with third countries concerning maritime transport services, including dry and liquid bulk and liner trade, and not activate such cargo-sharing arrangements in case they exist in previous bilateral agreements;
 - b) abstain from implementing, on entry into force of this Agreement, administrative and technical and legislative measures which could have the effect of discriminating between their own nationals or companies and those of the other Party in the supply of services in international maritime transport;
 - c) grant no less favourable treatment for the ships operated by nationals or companies of the other Party, than that accorded to its own ships, with regard to access to ports open to international trade, the use of infrastructure and auxiliary maritime services of the ports, as well as related fees and charges,

customs facilities and assignment of berths and facilities for loading and unloading;

- d) allow the shipping companies of the other Party to have their commercial presence in its territory for the purpose of carrying out shipping agency activities under conditions of establishment and operation no less favourable than those accorded to its own companies or to subsidiaries or branches of companies of any non-member country, whichever is the better.
3. For the purpose of this article, access to the international maritime market shall include, inter alia, the right for international maritime transport providers of each Party to arrange door-to-door transport services involving a sea leg, and to this effect to directly contract with local providers of transport modes other than maritime transport on the territory of the other Party without prejudice to applicable nationality restrictions concerning the carriage of goods and passengers by those other transport modes.
 4. The provisions of this article shall apply to European Community companies and Korean companies. Beneficiaries of the provisions of this article shall also be shipping companies established outside the European Community or the Republic of Korea and controlled by nationals of a Member State or of the Republic of Korea, if their vessels are registered in that Member State or in the Republic of Korea in accordance with their respective legislations.
 5. The issue of the operations in the European Community and in the Republic of Korea of shipping agency activities shall be dealt with by specific agreements, where appropriate.
 6. The Parties shall pursue a dialogue in the field of maritime transport policy.

Article 20

Consumer Policy

The Parties shall endeavour to cooperate in the field of consumer policy in order to secure a high level of consumer protection. The Parties agree that cooperation within this field may involve to the extent possible:

- a) increasing the compatibility of consumer legislation in order to avoid barriers to trade while ensuring a high level of consumer protection;
- b) promoting exchange of information on consumer systems, including consumer laws, consumer product safety, enforcement of consumer legislation, consumer education and empowerment, and consumer redress;
- c) encouraging the development of independent consumer associations and contacts between consumer representatives.

TITLE V

COOPERATION IN THE AREA OF SUSTAINABLE DEVELOPMENT

Article 21

Health

1. The Parties agree to encourage mutual cooperation and information exchange in the fields of health and the effective management of cross-border health problems.
2. The Parties shall seek to promote information exchange and mutual cooperation, inter alia, as follows:
 - a) information exchange on the surveillance of infectious diseases, including pandemic influenza, and on the early warning and countermeasures;
 - b) information exchange on the health strategies and the public health plans;
 - c) information exchange on health promotion policies, such as anti-smoking campaigns, obesity prevention and disease control;
 - d) information exchange to the extent possible in the field of pharmaceutical safety and approval;
 - e) information exchange to the extent possible, as well as joint research in the field of food safety such as food laws and regulations, emergency alert, etc.;
 - f) cooperation in R&D related aspects, such as advanced treatment and innovative, orphan drugs;
 - g) information exchange and cooperation regarding e-health policy.
3. The Parties shall endeavour to promote implementation of international health agreements such as the International Health Regulations and the Framework Convention on Tobacco Control.

Article 22

Employment and social affairs

1. The Parties agree to enhance cooperation in the field of employment and social affairs, including in the context of globalisation and demographic change. Efforts shall be made in promoting cooperation and exchanges of information and experiences regarding the employment and labour matters. Areas of cooperation may include regional and social cohesion, social integration, social security systems, lifelong skills development, health and safety at the workplace, gender equality and decent work.
2. The Parties reaffirm the need to support a process of globalisation which is beneficial to all and to promote full and productive employment and decent work as a key element of sustainable development and poverty reduction.

3. The Parties reaffirm their commitments to respect, promote and realise internationally recognised labour and social standards, as laid down in particular in the ILO Declaration on Fundamental Rights and Principles at Work.
4. The forms of cooperation may include, inter alia, specific programmes and projects, as mutually agreed, as well as dialogue, cooperation and initiatives on topics of common interest at bilateral or multilateral level.

Article 23

Environment and natural resources

1. The Parties agree on the need to conserve, and manage in a sustainable manner, natural resources and biological diversity as a basis for the development of current and future generations.
2. The Parties shall endeavour to continue and to strengthen their cooperation on protection of the environment, including in a regional context, specifically as regards:
 - a) climate change and energy efficiency;
 - b) environmental awareness;
 - c) participating in and implementing multilateral environmental agreements, including biodiversity, biosafety and CITES;
 - d) promoting environmental technologies, products and services, including environmental management systems and environmental labelling;
 - e) prevention of illegal transboundary movement of hazardous substances, hazardous wastes and other forms of waste;
 - f) coastal and marine environment, conservation, pollution, and degradation control;
 - g) local participation in environmental protection as a key element of sustainable development;
 - h) soils and land management;
 - i) exchange of information and expertise and practices.
3. The outcome of the World Summit on Sustainable Development and the implementation of relevant multilateral environmental agreements shall be taken into account, as relevant.

Article 24

Climate change

1. The Parties recognise the common global threat of climate change and the need to take action to cut emissions in order to stabilise greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Within the scope of their respective competences, and without prejudice to discussions on climate change in other fora, such as the United Nations Framework Convention on Climate Change (UNFCCC), the Parties shall enhance cooperation in this field. Such cooperation shall aim at:
 - a) combating climate change, with the overall goal of a rapid transition to low-carbon societies, through nationally appropriate mitigation and adaptation actions;
 - b) advocating the efficient use of resources, inter alia through widespread use of best available and economically viable low carbon technologies and standards for mitigations and adaptation;
 - c) exchanging expertise and information regarding benefits and architecture of trading schemes;
 - d) enhancing public and private sector financing instruments, including market mechanisms and public private partnerships which could effectively support action to combat climate change;
 - e) collaborating on low-carbon technology research, development, diffusion, deployment and transfer in order to mitigate greenhouse gas emissions while maintaining economic growth;
 - f) exchanging experience and expertise, where appropriate, in monitoring and analysing greenhouse gases' effects and developing mitigation and adaptation programmes;
 - g) supporting, where appropriate, mitigation and adaptation action of developing countries, including through the Flexible Mechanisms of the Kyoto Protocol.
2. To these ends, the Parties agree to intensify dialogue and cooperation at political, policy and technical levels.

Article 25

Agriculture, rural development and forestry

The Parties agree to encourage cooperation in agriculture, rural development and forestry. The Parties will exchange information and develop cooperation in particular on:

- a) agricultural and forestry policy and international agricultural and forestry outlook in general;
- b) registration and protection of Geographical Indications;
- c) organic production;

- d) research in the field of agriculture and forestry;
- e) development policy for rural areas and in particular diversification and restructuring of agricultural sectors;
- f) sustainable agriculture, forestry and integration of environmental requirements into agricultural policy;
- g) the links between agriculture, forestry and environment and the development policy for rural areas;
- h) promotion activities for agricultural food products;
- i) sustainable forest management (SFM) to prevent de-forestation and encourage the creation of new woodland, including due regard to interests of developing countries where timber is sourced.

Article 26

Marine and fisheries

The Parties shall encourage marine and fisheries cooperation, at bilateral and multilateral level, particularly with a view to promoting sustainable and responsible marine and fisheries development and management. Areas of cooperation may include:

- a) exchange of information;
- b) supporting sustainable and responsible long term marine and fisheries policy including conservation and management of coastal and marine resources; and
- c) promoting efforts to prevent and combat illegal, unreported and unregulated fishing practices.

Article 27

Development assistance

1. The Parties agree to exchange information on their development assistance policies with a view to establishing a regular dialogue on the objectives of these policies and their respective development aid programmes in third countries. They will study to what extent more substantial cooperation is feasible, in accordance with their respective legislations and the conditions applicable to the implementation of these programmes.
2. The Parties reaffirm their commitment to the Paris Declaration of 2005 on Aid Effectiveness and agree to strengthen cooperation with a view to further improving development performance.

TITLE VI

COOPERATION IN THE AREA OF EDUCATION AND CULTURE

Article 28

Cooperation in culture, information, communication, audiovisual and media

1. The Parties agree to promote cooperation in order to increase mutual understanding and the knowledge of their respective cultures.
2. The Parties shall endeavour to take appropriate measures to promote cultural exchanges as well as to carry out joint initiatives in this area.
3. The Parties agree to cooperate closely in relevant international fora, such as the UNESCO, and the Asia-Europe Meeting (ASEM), in order to pursue common objectives and promote cultural diversity, respecting the provisions of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions.
4. The Parties will consider means of encouraging exchanges, cooperation and dialogue between relevant institutions in the areas of audiovisual and media.

Article 29

Education

1. The Parties acknowledge the crucial contribution of education and training to the development of human resources capable of participating in the global knowledge-based economy; and recognise that they have a common interest in cooperation in education and training.
2. In accordance with their mutual interests and the aims of their policies on education, the Parties undertake to support jointly appropriate cooperative activities in the field of education, training and youth, with particular emphasis on higher education. This cooperation may take the form of, in particular:
 - a) support to joint cooperation projects between education and training institutions in the European Union and the Republic of Korea, with a view to promoting curriculum development, joint study programmes and student mobility;
 - b) dialogue, studies, and exchange of information and know-how in the field of education policy ;
 - c) promotion of exchange of students, academic and administrative staff of higher education institutions, and youth workers, including through the implementation of the Erasmus Mundus programme;
 - e) cooperation in education sectors of common interest.

TITLE VII

COOPERATION IN THE AREA OF JUSTICE, FREEDOM AND SECURITY

Article 30

Rule of law

In their cooperation in the area of justice, freedom and security, the Parties shall attach particular importance to the promotion of the rule of law, including the independence of the judiciary, access to justice, and the right to a fair trial.

Article 31

Legal cooperation

1. The Parties agree to develop judicial cooperation in civil and commercial matters, in particular as regards the ratification and implementation of multilateral conventions on civil judicial cooperation, including the Conventions of the Hague Conference on Private International Law in the field of international legal cooperation and litigation as well as the protection of children.
2. The Parties agree to facilitate and encourage the arbitral solution of civil and private commercial disputes whenever possible according to the applicable international instruments.
3. As regards judicial cooperation in criminal matters, the Parties will seek to enhance arrangements on mutual legal assistance and extradition. This would include, where appropriate, accession to, and implementation of, the relevant international instruments of the United Nations including the Rome Statute of the International Criminal Court as referred to in Article 6 of this Agreement.

Article 32

Personal data protection

1. The Parties agree to cooperate in order to improve the level of protection of personal data to the highest international standards such as that contained in the UN Guidelines for the Regulation of Computerized Personal Data Files (UN General Assembly Resolution 45/95 of 14 December 1990).
2. Cooperation on protection of personal data may include, inter alia, exchange of information and expertise.

Article 33

Migration

1. The Parties agree to strengthen and intensify cooperation in the areas of the illegal migration, smuggling and trafficking in human beings, as well as the inclusion of the

migration concerns in the national strategies for economic and social development of the areas from which migrants originate.

2. In the framework of the cooperation to prevent and control illegal immigration, the Parties agree to readmit their nationals who stay illegally in the territory of the other Party. To this end, the Parties will provide their nationals with appropriate identity documents for such purposes. In cases where the nationality is in doubt, the Parties agree to identify their alleged nationals.
3. The Parties endeavour to conclude, if necessary, an agreement regulating the specific obligations for readmission of their nationals. This will also address conditions relating to nationals of other countries and stateless persons.

Article 34

Combating illicit drugs

1. In accordance with their respective laws and regulations, the Parties will aim at reducing the supply and trafficking of, and demand for, illicit drugs as well as their impact on drug users and society at large and to achieve a more effective prevention of diversion of drug precursors used for the illicit manufacture of narcotic drugs and psychotropic substances. In their cooperation, the Parties shall ensure that a comprehensive and balanced approach is taken in pursuing this aim through legal market regulations and effective action and coordination between the competent authorities including those from the health, education, social, law enforcement and justice sectors.
2. The Parties shall agree on means of cooperation to attain these objectives. Actions shall be based on commonly agreed principles along the lines of the relevant international conventions, the Political Declaration and the Special Declaration on the guiding principles of drug demand reduction, approved by the Twentieth United Nations General Assembly Special Session on Drugs in June 1998.

Article 35

Combating organised crime and corruption

The Parties agree to cooperate on and contribute to the fight against organised, economic and financial crime and corruption, counterfeiting and illegal transactions, through full compliance with their existing mutual international obligations in this area including on effective cooperation in the recovery of assets or funds derived from acts of corruption. The Parties will promote the implementation of the UN Convention on Transnational Organised Crime and its supplementing Protocols and the UN Convention against Corruption.

Article 36

Combating money laundering and terrorism financing

1. The Parties agree on the need to work towards and to cooperate on preventing the use of their financial systems to launder the proceeds of all criminal activities including

drug trafficking and corruption and to the financing of terrorism. This cooperation extends to the recovery of assets or funds derived from the proceeds of crimes.

2. The Parties may exchange relevant information within the framework of respective legislations and apply appropriate standards to combat money laundering and financing of terrorism equivalent to those adopted by relevant international bodies active in this area, such as the Financial Action Task Force on money laundering (FATF).

Article 37

Combating cyber crime

1. The Parties will strengthen cooperation to prevent and combat high technology, cyber and electronic crimes and the distribution of terrorist content via the Internet through exchanging information and practical experiences in compliance with their national legislation within the limits of their responsibility.
2. The Parties will exchange information in the fields of the education and training of cyber crime investigators, the investigation of cyber crime, and digital forensic science.

Article 38

Law enforcement cooperation

The Parties agree to cooperate among law enforcement authorities, agencies and services and to contribute to disrupting and dismantling transnational crime threats common to the Parties. The cooperation among law enforcement authorities, agencies and services can take the form of mutual assistance in investigations, sharing of investigational techniques, joint education and training of law enforcement personnel and any other type of joint activities and assistance as may be mutually agreed by the Parties.

TITLE VIII

COOPERATION IN OTHER AREAS

Article 39

Tourism

The Parties undertake to establish cooperation in the field of tourism, with a view to increasing better mutual understanding and promoting a balanced and sustainable development of tourism.

This cooperation may take the form of, in particular:

- a) exchange of information on issues of common interest concerning tourism;

- b) organisation of tourism events;
- c) tourism exchanges;
- d) cooperation in the preservation and management of cultural heritage;
- e) cooperation in tourism management.

Article 40

Civil Society

The Parties recognise the role and potential contribution of organised civil society in the dialogue and cooperation process under this Agreement and agree to promote effective dialogue with organised civil society and its effective participation.

Article 41

Public administration

The Parties agree to cooperate by exchanging experience and best practice, building on existing efforts, with respect to the modernisation of public administration in areas such as:

- a) improving organisational efficiency;
- b) increasing institutions' effectiveness in service delivery;
- c) ensuring transparent management of public resources and accountability;
- d) improving the legal and institutional framework;
- e) policy design and implementation.

Article 42

Statistics

1. The Parties shall develop and strengthen their cooperation on statistical issues, thereby contributing to the long-term objective of providing timely, internationally comparable and reliable statistical data. It is expected that sustainable, efficient and professionally independent statistical systems shall produce information relevant for the Parties' citizens, businesses and decision-makers, enabling them to take informed decisions. The Parties shall, inter alia, exchange information and expertise and develop cooperation taking into account the already accumulated experience.

Cooperation shall aim at:

- a) progressive harmonization between the statistical systems of both Parties;

- b) fine-tuning of data exchange between the Parties taking into account the application of relevant international methodologies;
 - c) enhancing the professional capacity of the statistical staff to allow them to apply the relevant statistical standards;
 - d) promoting of the exchange of experience between the Parties on the development of statistical know-how.
2. The forms of cooperation may include, inter alia, specific programmes and projects, as mutually agreed, as well as dialogue, cooperation and initiatives on topics of common interest at bilateral or multilateral level.

TITLE IX

INSTITUTIONAL FRAMEWORK

Article 43

Other agreements

1. The Framework Agreement for Trade and Cooperation between the European Community and its Member States, on the one hand, and the Republic of Korea, on the other hand, signed in Luxembourg on 28 October 1996 and entered into force on 1 April 2001 is hereby repealed.
2. This Agreement updates and replaces the aforementioned agreement. References to the aforementioned agreement in all other agreements between the Parties shall be construed as referring to this Agreement.
3. The Parties may complement this Agreement by concluding specific agreements in any area of cooperation falling within its scope. Such specific agreements shall be an integral part of the overall bilateral relations as governed by this Agreement and shall form part of a common institutional framework.
4. Existing agreements relating to specific areas of cooperation falling within the scope of this Agreement shall similarly be considered part of the overall bilateral relations as governed by this Agreement and as forming part of a common institutional framework.

Article 44

Joint Committee

1. The Parties shall establish under this Agreement a Joint Committee consisting of representatives of the members of the Council of the European Union and representatives of the European Commission, on the one hand, and representatives of the Republic of Korea, on the other.

2. Consultations shall be held in the Joint Committee to facilitate the implementation and to further the general aims of this Agreement as well as to maintain overall coherence in the relations and to ensure the proper functioning of any other agreement between the Parties.
3. The Joint Committee shall:
 - a) ensure that this Agreement operates properly;
 - b) monitor the development of the comprehensive relationship between the Parties;
 - c) request, as appropriate, information from committees or other bodies established under other agreements falling under the common institutional framework and consider any reports submitted by them;
 - d) exchange opinions and make suggestions on any issue of common interest, including future actions and the resources available to carry them out;
 - e) set priorities in relation to the aims of this Agreement;
 - f) seek appropriate methods of forestalling problems which might arise in areas covered by this Agreement;
 - g) resolve any dispute arising in the application or interpretation of this Agreement by consensus in accordance with Article 45 paragraph 3;
 - h) examine all the information presented by a Party regarding non-execution of the obligations and hold consultations with the other Party to seek a solution acceptable to both Parties in accordance with Article 45 paragraph 3.
4. The Joint Committee will normally meet once a year in Brussels and Seoul alternately. Special meetings of the Committee shall be held at the request of either Party. The Joint Committee shall be chaired alternately by each of the Parties. It shall normally meet at the level of senior officials.

Article 45

Modalities for implementation

1. The Parties shall take any general or specific measures required to fulfil their obligations under this Agreement and shall ensure that they comply with the objectives laid down in this Agreement.
2. Implementation is covered by consensus and dialogue. If, however, there is divergence of views in the application or interpretation of this Agreement, either Party shall refer to the Joint Committee.
3. If either Party considers that the other Party has failed to fulfil its obligations under this Agreement, it may take appropriate measures in accordance with international law. Before doing so, except in cases of special urgency, the Party shall present all the information required to the Joint Committee for a thorough examination of the

situation. The Parties shall hold consultations within the Joint Committee and, if both Parties agree, these consultations may be facilitated by a mediator appointed by the Joint Committee.

4. In cases of special urgency, the measure shall be notified immediately to the other Party. At the request of the other Party, consultations shall be held for a period of up to twenty (20) days. After this period, the measure shall apply. In this case, the other Party may request arbitration according to Article 46 below with a view to examining any aspect of, or the basis for, the measure.

Article 46

Arbitration procedure

1. The arbitration tribunal shall consist of three (3) arbitrators. Each Party shall appoint one arbitrator and the Joint Committee shall appoint a third arbitrator within fourteen (14) days, as appropriate, upon the request of either Party for the arbitration. The appointment of an arbitrator by a Party shall be notified immediately to the other Party in writing through diplomatic channels. The arbitrators' decision shall be taken by a majority of votes. The arbitrators shall endeavour to reach a decision as quickly as possible and in any event no later than 3 months from the date of appointment of the arbitrators. The Joint Committee shall agree the detailed procedures for the speedy conduct of arbitration.
2. Each Party to the dispute must take the steps required to implement the decision of the arbitrators. The arbitrators shall, upon request, issue recommendations on how to implement their decision with a view to restoring the balance of rights and obligations under this Agreement.

TITLE X

FINAL PROVISIONS

Article 47

Definition

For the purposes of this Agreement, the term 'the Parties' means the European Community or its Member States, or the European Community and its Member States, in accordance with their respective competences, on the one hand, and the Republic of Korea, on the other.

Article 48

National security and disclosure of information

Nothing in this Agreement shall be construed to require any Party to provide any information, the disclosure of which it considers contrary to its essential security interests.

Article 49

Entry into force, duration and termination

1. This Agreement shall enter into force on the first day of the month following the date on which the Parties have notified each other of the completion of the legal procedures necessary for that purpose.
2. Notwithstanding paragraph 1, this Agreement shall be applied on a provisional basis pending its entry into force. The provisional application begins on the first day of the first month following the date on which the Parties have notified each other of the completion of the necessary procedures.
3. This Agreement shall be valid indefinitely. Either Party may notify in writing the other Party of its intention to denounce this Agreement. The denunciation shall take effect six months after the notification.

Article 50

Notifications

The notifications made in accordance with Article 49 shall be made to the Secretariat-General of the Council of the European Union and the Ministry for Foreign Affairs and Trade of the Republic of Korea, respectively.

Article 51

Declarations and annexes

The Declarations and Annexes to this Agreement shall form an integral part of this Agreement.

Article 52

Territorial application

This Agreement shall apply, on the one hand, to the territories in which the Treaty establishing the European Community is applied and under the conditions laid down in that Treaty, and, on the other hand, to the territory of the Republic of Korea.

Article 53

Authentic texts

This Agreement is drawn up in duplicate in the Korean, Bulgarian, Czech, Estonian, Danish, Dutch, English, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, and Swedish languages, each text being equally authentic.

Joint interpretative declaration concerning Articles 45 and 46

The Parties are democracies. They wish to work together to promote their shared values to the world. Their Agreement is a signal of their shared determination to promote democracy, human rights, non-proliferation, and counter-terrorism throughout the world. The implementation of this Agreement between the Parties sharing the same values shall therefore be based on the principles of dialogue, mutual respect, equal partnership, multilateralism, consensus, and respect for international law.

The Parties agree that for the purpose of the correct interpretation and practical application of this Agreement, the term “appropriate measures” in Article 45 paragraph 3 are measures proportionate to the failure to implement obligations under this Agreement. Measures may be taken with regard to this Agreement or to a specific agreement falling under the common institutional framework. In the selection of measures priority must be given to those which least disrupt the functioning of the agreements, taking account of possible use of domestic remedies where available.

The Parties agree that for the purpose of the correct interpretation and practical application of this Agreement, the term "cases of special urgency" in Article 45 paragraph 4 means a case of a material breach of this Agreement by one of the Parties. A material breach consists in either repudiation of this Agreement not sanctioned by the general rules of international law or a particularly serious and substantial violation of an essential element of the Agreement. The Parties shall assess a possible material breach of Article 4 paragraph 2, taking account of the official position, where available, of the relevant international agencies.

In respect of Article 46, where measures have been taken with respect to a specific agreement falling under the common institutional framework, any relevant dispute settlement procedures of the specific agreement shall apply with regard to the procedure of implementing the decision of the arbitration panel in cases where the arbitrators decide that the measure was not justified or proportionate.

For inclusion into the Final Act:

The plenipotentiaries of the Member States and the plenipotentiary of the Republic of Korea take note of the following Unilateral Declarations by the European Community:

Unilateral declaration by the European Community on Article 12

The Community declares that the Member States are committed under Article 12 only to the extent that they have subscribed to these principles of good governance in the tax area at Community level.