

[Without prejudice to the final position of the relevant Parties]

CHAPTER XX TRADE IN GOODS

Article 1 Definitions¹

For the purposes of this Chapter, unless the context otherwise requires:

a. ^[KR] **AD Agreement** means the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, contained in Annex 1A to the WTO Agreement]

b. ^[KR] **Advertising films and recordings** means recorded visual media or audio materials, consisting essentially of images and/or sound, showing the nature or operation of goods or services offered for sale or lease by a person established or resident in the territory of a Party, provided that such materials are of a kind suitable for exhibition to prospective customers but not for broadcast to the general public]

c. ^[KR] **Commercial samples of negligible value** means commercial samples having a value, individually or in the aggregate as shipped, of not more than the amount specified in a Party's laws, regulations, or procedures governing temporary admission, or so marked, torn, perforated, or otherwise treated that they are unsuitable for sale or use except as commercial samples]

d. ^[KR] **Consumed** means

a. actually consumed;

b. or further processed or manufactured so as to result in a substantial change in the value, form, or use of the good or in the production of another good]

e. ^[ASEAN] **customs authorities** means the competent authorities that are responsible under the law of a Party for the administration of customs laws;]

f. ^[ASEAN] **customs duties** means any customs or import duty and a charge of any kind ^[JP], including any form of surtax or surcharge] imposed in connection with the importation of a good, but does not include any:

(i) charge equivalent to an internal tax imposed consistently with the provisions of paragraph 2 of Article III of GATT 1994, in respect of the like ^[ASEAN] domestic goods or ^[JP] directly competitive or substitutable goods of the Party, or] in respect of goods from which the imported goods have been manufactured or produced in whole or in part;

(ii) anti-dumping or countervailing duty applied consistent^[JP] consistent consistently] with the provisions of Article VI of ^[JP] the GATT 1994, the Agreement on Implementation of Article VI of GATT 1994 ^[JP] in Annex 1A to the WTO Agreement (hereinafter referred to as "the Agreement on Anti-Dumping"), and the Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement; or

(iii) ^[ASEAN] fee or any charge^[JP] fees or other charges] commensurate with the cost of services rendered.]

g. ^[ASEAN] **customs laws** means such laws and regulations administered and enforced by the customs authorities of each Party concerning the importation, exportation, transit, transshipment, and storage of goods as they relate to customs duties, charges, and other taxes, or to prohibitions, restrictions, and other similar controls with respect to the movement of controlled items across the boundary of the customs territory of each Party;]

h. ^[ASEAN, JP] **customs value of goods** means the value of goods for the purposes of levying ad valorem customs duties on imported goods;]

i. ^[ASEAN] **days** means calendar days, including weekends and holidays;]

j. ^[KR] **distributor** means a person of a Party who is responsible for the commercial distribution, agency, concession, or representation in the territory of that Party of goods of [the other party]]

k. ^[KR] **duty-free** means free of customs duty]

l. ^[JP] **energy, mineral resource good and food** means any good listed in Annex X;]

¹ The content of Article 1 is to be determined in light of the decision of the RCEP TNC on the structure of the RCEP Agreement and the final text of this Chapter. In case there is a Chapter on "General Definitions", as general principle, if a term appears in more than one Chapter, it shall be defined in the "general" Definitions; otherwise, its definition shall be retained in the relevant Chapter.

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xx. ^[JP] **export subsidies** means export subsidies defined in subparagraphs 1(a) through (f) of Article 9 of the Agreement on Agriculture;

yy. **export licensing procedures** means administrative procedures, whether or not referred to as "licensing", used by a Party for the operation of export licensing regimes requiring the submission of an application or other documentation, other than that required for customs procedures, to the relevant administrative body as a prior condition for exportation from that Party;

m.k. ^[ASEAN] **foreign exchange restrictions** means measures taken by Parties in the form of restrictions and other administrative procedures in foreign exchange which have the effect of restricting trade;

n.l. ^[ASEAN] **GATT 1994** means the General Agreement on Tariffs and Trade 1994, including its Notes and Supplementary Provisions, contained in Annex 1A to the WTO Agreement;

o. ^[KR] **goods intended for display or demonstration** includes their component parts, ancillary apparatus, and accessories;

p. ^[KR] **goods temporarily admitted for sports purposes** means sports requisites for use in sports contests, demonstrations, or training in the territory of the Party into whose territory such goods are admitted;

q.m. ^[ASEAN] **Harmonized System or HS** means the Harmonized Commodity Description and Coding System set out in the Annex to the International Convention on the Harmonized Commodity Description and Coding System, including any amendments adopted and implemented by the Parties in their respective laws;

r.n. ^[KR] **import licensing** means an administrative procedure requiring the submission of an application or other documentation (other than that generally required for customs clearance purposes) to the relevant administrative body as a prior condition for importation into the territory of the importing Party;

s.o. ^[ASEAN] **MFN Rate** means Most-Favoured-Nation treatment in the WTO;

t.p. ^[ASEAN] **non-tariff barriers** means measures other than tariffs which effectively prohibit or restrict imports or exports of goods within Parties;

u.q. ^[ASEAN, JP] **originating goods** means ^[ASEAN] goods that qualify as originating in a Party ^[JP] a good which qualifies as an originating good ^[ASEAN] in accordance with ^[JP] under the provisions of Chapter ^[ASEAN] 3 ^[JP] (Rules of Origin);

v.f. ^[KR] **performance requirement** means a requirement that:

- a. a given level or percentage of goods or services be exported
- b. domestic goods or services of the Party granting a waiver of customs duties or an import license be substituted for imported goods
- c. a person benefiting from a waiver of customs duties or an import license purchase other goods or services in the territory of the Party granting the waiver of customs duties or the import license, or accord a preference to domestically produced goods
- d. a person benefiting from a waiver of customs duties or an import license produce goods or supply services, in the territory of the Party granting the waiver of customs duties or the import license, with a given level or percentage of domestic content; or
- e. relates in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows

but does not include a requirement that an imported good be;

- f. subsequently exported
- g. used as a material in the production of another good that is subsequently exported
- h. substituted by an identical or similar good used as a material in the production of another good that is subsequently exported; or
- i. substituted by an identical or similar good that is subsequently exported

w.s. ^[ASEAN] **preferential tariff treatment** means tariff concessions granted to originating goods as reflected by the tariff rates applicable under this Agreement;

x. ^[KR] **printed advertising materials** means those goods classified in Chapter 49 of the Harmonized System, including brochures, pamphlets, leaflets, trade catalogues, yearbooks published by trade associations, tourist promotional materials, and posters, that are used to promote, publicize, or advertise a good or service, are essentially intended to advertise a good or service, and are supplied free of charge;

y.l. ^[ASEAN] **quantitative restrictions** means measures intended to prohibit or restrict quantity of trade with other Parties, whether made effective through quotas, licences or other measures with equivalent effect, including administrative measures and requirements which restrict trade;

z.u. ^[KR] **SCM Agreement** means the Agreement on Subsidies and Countervailing Measures, contained in Annex 1A to the WTO Agreement]

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aa-v. ^[ASEAN] WTO means World Trade Organization;]

bb-w. ^[ASEAN] WTO Agreement means the Marrakesh Agreement Establishing the World Trade Organization, done on 15 April 1994 and the other agreements negotiated thereunder.]

Article 2

Scope and Coverage

^[KR, ASEAN]: Except as otherwise provided in this Agreement, this Chapter applies to trade in goods between the Parties.]

Article 3

National Treatment on Internal Taxation and Regulation

^[ASEAN, KR, JP]: Each Party shall accord national treatment to the goods of the other Parties in accordance with Article III of ^[JP the] GATT 1994^[KR, TH], including ^[TH] its notes and supplementary provisions] ^[KR: its interpretative notes]. ^[ASEAN, KR]: To this end, Article III of GATT 1994 ^[TH] and its notes and supplementary provisions] shall be incorporated into and shall form part of this Agreement, *mutatis mutandis*.]

Article 4

Reduction and/or Elimination of Customs Duties

1. ^[ASEAN, KR, JP]: Except as otherwise provided in this Agreement, each Party shall ^[ASEAN, KR]: progressively] reduce and/or ^[JP] and/or] eliminate ^[JP its] customs duties on originating goods of the other Parties ^[ASEAN, KR]: in accordance with its schedule of tariff commitments in Annex XX (Schedules of Tariff Commitments)] ^{[JP: designated for such purposes in Annex XX (Schedules of Tariff Commitments), in accordance with the terms and conditions set out in such Schedule].}

^[KR]: If at any moment a Party reduces its applied the most-favored-nation (MFN) customs duty rate after the entry into force of this Agreement, that duty rate shall apply as regards trade covered by this Agreement if and for as long as it is lower than the customs duty rate calculated in accordance with its Schedule included in Annex X-A.]

^[JP]: 2. If, as a result of the elimination or reduction of its customs duty on a particular good on a most-favoured-nation basis, the most-favoured-nation applied rate for the good becomes equal to, or lower than, the rate of customs duty to be applied in accordance with paragraph 1 on the originating good which is classified under the same tariff line as that particular good, each Party shall notify the other Parties of such elimination or reduction without delay.

3. In cases where its most-favoured-nation applied rate of customs duty on a particular good is lower than the rate of customs duty to be applied in accordance with paragraph 1 on the originating good which is classified under the same tariff line as that particular good, each Party shall apply the lower rate with respect to that originating good.]

^[KR]: Article X Standstill

Except as otherwise provided in this Agreement, no Party may increase any existing customs duty, or adopt any new customs duty, on an originating good of the other party. This shall not preclude that a Part may raise a customs duty to the level established in its schedule included in Annex XX following a unilateral reduction]

^[JP]: Article X Customs Valuation

For the purposes of determining the customs value of goods traded among the Parties, the provisions of Part I of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement, (hereinafter referred to in this Agreement as "the Agreement on Customs Valuation"), shall apply *mutatis mutandis*.]

^[JP, NZ]: Article X Export Subsidies

Comment [A1]: Korea considers reservation of other countries expressed at the 6th round.

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1. No Party shall introduce or maintain any export subsidies listed in subparagraphs 1(a) through (f) of Article 9 of the Agreement on Agriculture in Annex 1A to the WTO Agreement (hereinafter referred to as "the Agreement on Agriculture") on any agricultural good which is listed in Annex 1 to the Agreement on Agriculture.] ^[KR] and export subsidies shall have the meaning assigned to that term in Article 1(e) of the WTO Agreement on Agriculture, including any amendment of that article.]
2. ^[NZ] The Parties share the objective of the multilateral elimination of export subsidies for agricultural goods and shall work together toward an agreement in the WTO to eliminate those subsidies and prevent their reintroduction in any form.
3. No Party may adopt or maintain any export subsidy on any agricultural good destined for the territory of another Party.]

^[ASEAN, KR] **Article 5**
Acceleration of Tariff Commitments

1. Nothing in this Agreement shall preclude all Parties from negotiating and entering into arrangements to accelerate and/or improve tariff commitments made under this Agreement. An agreement among all Parties to accelerate and/or improve tariff commitments shall be incorporated into this Agreement, in accordance with Article YY [Amendments]. Such acceleration and/or improvement of tariff commitments shall be implemented by all the Parties. ^[KR] On the request of either Party, the Parties shall ^[ASEAN] Two or more Parties may also) consult to consider accelerating ^[ASEAN] and/or improving tariff commitments set out in their schedules of tariff commitments in Annex XX (Schedules of Tariff Commitments) ^[KR] the reduction or elimination of customs duties]. An agreement between these Parties to accelerate and/or improve their respective tariff commitments under this Agreement shall be incorporated into this Agreement, in accordance with Article YY [Amendments]. ^[ASEAN] Tariff concessions arising from such acceleration and/or improvement of tariff commitments shall be extended to all Parties.]
2. A Party may, at any time, unilaterally accelerate the reduction and/or elimination of customs duties ^[ASEAN] on originating goods of the other Parties] set out in its schedule of tariff commitments in Annex XX (Schedules of Tariff Commitments). ^[ASEAN] A Party intending to do so shall inform the other Parties before the new rate of customs duties takes effect, or in any event, as early as practicable.] ^[KR] A Party shall notify [the other party] through a diplomatic note immediately after completion of the internal procedures required for the amendments to enter into force. Such amendments shall enter into force on the date specified in the diplomatic note, or in any event, within 90 days of such notification. Any concessions granted by the Party according to the unilateral acceleration set out therein shall not be withdrawn.]

^[KR] **Article 6**
Temporary Admission of Goods

1. Each Party shall grant duty-free temporary admission for the following goods, regardless of their origin:
 - (a) professional equipment, including equipment for the press or television, software, and broadcasting and cinematographic equipment, necessary for carrying out the business activity, trade, or profession of a person who qualifies for temporary entry pursuant to the laws of the importing Party;
 - (b) goods intended for display or demonstration;
 - (c) commercial samples and advertising films and recordings; and
 - (d) goods admitted for sports purposes.
2. Each Party shall, at the request of the person concerned and for reasons its customs authority considers valid, extend the time limit for temporary admission beyond the period initially fixed.
3. [neither Party] may condition the duty-free temporary admission of a good referred to in paragraph 1, other than to require that the good:

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- (a) be used solely by or under the personal supervision of a national or resident of [the other party] in the exercise of the business activity, trade, profession, or sport of that person;
- (b) not be sold or leased while in its territory;
- (c) be accompanied by a security in an amount no greater than the charges that would otherwise be owed on entry or final importation, releasable on exportation of the good;
- (d) be capable of identification when exported;
- (e) be exported on the departure of the person referenced in subparagraph (a), or within such other period related to the purpose of the temporary admission as the Party may establish, or within one year, unless extended;
- (f) be admitted in no greater quantity than is reasonable for its intended use; and
- (g) be otherwise admissible into the Party's territory under its law.

4. If any condition that a Party imposes under paragraph 3 has not been fulfilled, the Party may apply the customs duty and any other charge that would normally be owed on the good plus any other charges or penalties provided for under its law.

5. Each Party shall adopt and maintain procedures providing for the expeditious release of goods admitted under this Article. To the extent possible, such procedures shall provide that when such a good accompanies a national or resident of [the other party] who is seeking temporary entry, the good shall be released simultaneously with the entry of that national or resident.

6. Each Party shall permit a good temporarily admitted under this Article to be exported through a customs port other than that through which it was admitted.

7. Each Party shall provide that the importer or other person responsible for a good admitted under this Article shall not be liable for failure to export the good on presentation of satisfactory proof to the importing Party that the good has been destroyed within the original period fixed for temporary admission or any lawful extension.

8. Subject to Chapters [Y] (Trade in Services) and [Z] (Investment):

- (a) each Party shall allow a container used in international traffic that enters its territory from the territory of [the other party] to exit its territory on any route that is reasonably related to the economic and prompt departure of such container;
- (b) [neither Party] may require any security or impose any penalty or charge solely by reason of any difference between the port of entry and the port of departure of a container;
- (c) [neither Party] may condition the release of any obligation, including any security, that it imposes in respect of the entry of a container into its territory on its exit through any particular port of departure; and
- (d) [neither Party] may require that the carrier bringing container from the territory of [the other party] into its territory be the same carrier that takes the container to the territory of [the other party].]

Article 6
Classification of Goods

[^{JP,IN}: The classification of goods in trade among the Parties shall be in conformity with the Harmonized System [² with its amendments thereof and as applied by the contracting Parties].]

[KR: **Article 7**

Comment [A2]: Korea is to provide additional texts

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Goods Re-entered after Repair or Alteration

1. [neither Party] may apply a customs duty to a good, regardless of its origin, that re-enters its territory after that good has been temporarily exported from its territory to the territory of [the other party] for repair or alteration, regardless of whether the repair or alteration:
 - (a) could be performed in the territory of the Party from which the good was exported for repair or alteration; or
 - (b) has increased the value of the good.
2. [neither Party] may apply a customs duty to a good, regardless of its origin, admitted temporarily from the territory of [the other party] for repair or alteration.
3. For purposes of this Article, "repair or alteration" does not include an operation or process that:
 - (a) destroys a good's essential characteristics or creates a new or commercially different good; or
 - (b) transforms an unfinished good into a finished good.]

^{[KR:} **Article 8**

Duty-free Entry of Commercial Samples of Negligible Value and Printed Advertising Materials

Each Party shall grant duty-free entry to commercial samples of negligible value, and to printed advertising materials, imported from the territory of [the other party], regardless of their origin, but may require that:

- (a) the samples be imported solely for the solicitation of orders for goods, or services provided from the territory, of [the other party] or a non-Party; or
- (b) the advertising materials be imported in packets that each contain no more than one copy of each such material and that neither the materials nor the packets form part of a larger consignment.]

^{[ASEAN} **Article 7**

Transposition of Tariff Reduction

1. Each Party shall ensure that the transposition of its schedule of tariff commitments, undertaken in order to implement Annex 1 (Schedules of Tariff Commitments) in the nomenclature of the revised HS Code following periodic amendments to the HS Code, is carried out without impairing existing tariff concessions.
2. The transposition of the schedules of tariff commitments shall be carried out in accordance with the methodologies and procedures adopted by the Committee on Trade in Goods. The procedures should, at the minimum, provide for:
 - a. the timely circulation by a Party of a draft schedule of tariff commitments in the nomenclature of the revised HS Code accompanied by a two-way transposition setting out at national tariff line level:
 - i) a concordance between the draft schedule of tariff commitments in the nomenclature of the revised HS Code and the schedule of tariff commitments in the nomenclature of the then current HS Code; and
 - ii) a concordance between the schedule of tariff commitments in the nomenclature of the then current HS Code and the draft schedule of tariff commitments in the nomenclature of the revised HS Code;
 - b. the provision of comments by other Parties on the draft schedules circulated in accordance with Subparagraph (a), and consultations between the Parties, as necessary, with a view to resolving any concerns raised;
 - c. the schedules of tariff commitments in the nomenclature of the revised HS Code shall be made publicly available in a timely manner, following completion of the process in Subparagraphs (a) and (b); and
 - d. for the purpose of Subparagraph (a), proposals for technical assistance shall receive positive consideration.]

^{[ASEAN, KR:} **Article 8**

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Committee on Trade in Goods]

[^{JP}: Sub-Committee on Trade in Goods]

1. The Parties hereby establish a Committee on Trade in Goods (Goods Committee) consisting of representatives of the Parties. The Goods Committee may meet at the request of any Party or the FTA Joint Committee to consider any matter arising under this Chapter, [^{ASEAN}: or under:

- a. Chapter AA (Rules of Origin);
- b. Chapter BB (Customs Procedures and Trade Facilitation);
- c. Chapter CC (Sanitary and Phytosanitary Measures);
- d. Chapter DD (Standards, Technical Regulations and Conformity Assessment Procedures); and
- e. Chapter EE (Trade Remedies).]

2. The functions of the Goods Committee shall include [^{KR}: *inter alia*]:

- a. [^{ASEAN}: reviewing implementation of, and measures taken pursuant to, the Chapters referred to in Paragraph 1;
- b. identifying and recommending measures to promote and facilitate improved market access, including any acceleration of tariff commitments under Article 5 (Acceleration of Tariff Commitments);
- c. supervising and coordinating the work of all Sub-Committees established under the Chapters referred to in Paragraph 1;
- d. reporting, as required, to the RCEP [Joint Committee]; and
- e. carrying out other functions as may be agreed by the RCEP [Joint Committee].

[^{KR}: (a) promoting trade in goods between the Parties, including through consultations on accelerating reduction or elimination of customs duties under this Agreement and other issues as appropriate

(b) addressing barriers to trade in goods between the Parties, especially those related to the application of non-tariff measures, and, if appropriate, referring such matters to the Joint Committee for its consideration

(c) providing a forum for discussion or the exchange of information on matters related to subparagraph (a) and (b), which may, directly or indirectly affect trade between the Parties with a view to minimizing their negative effects on trade and seeking mutually acceptable alternatives]

3. [^{ASEAN}: The Goods Committee may agree to establish Sub-Committees and delegate its responsibilities thereto.

4. The Goods Committee shall meet at such venues and times as may be mutually agreed by Parties.

5. The meetings of the Goods Committee may occur in person, or by any other means as mutually determined by the Parties.]

[^{JP}: 1. For the purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Sub-Committee on Trade in Goods (hereinafter referred to in this Article as "the Sub-Committee").

2. The functions of the Sub-Committee shall be:

- (a) reviewing and monitoring the implementation and operation of this Chapter;
- (b) considering any other matter related to this Chapter, including those related to the classification of goods under the Harmonized System;
- (c) reporting the findings of the Sub-Committee to the Joint Committee; and
- (d) carrying out other functions as may be delegated by the Joint Committee.

3. The Sub-Committee shall be composed of representatives of the Parties.

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4. The Sub-Committee shall hold meetings at such times and venues or by means, as may be agreed by the Parties.]

CHAPTER XX QUANTITATIVE RESTRICTIONS AND NON-TARIFF MEASURES

Article 1 Application of Non-Tariff Measures

1. ^[ASEAN]: A Party shall not adopt or maintain any non-tariff measure on the importation of any good of any other Party or on the exportation of any good destined for the territory of any other Party, except in accordance with its WTO rights and obligations or in accordance with this Agreement.]
2. ^[ASEAN, KR]: Each Party shall ensure the transparency of its non-tariff measures ^[ASEAN]: permitted in paragraph 1 of this Article in accordance with Article X (Transparency) of Chapter Y and shall ensure that any such measures ^[KR]: affecting trade between the Parties and that any such measures] are not prepared, adopted or applied with the view to, or with the effect of, creating unnecessary obstacles in trade among the Parties.
3. ^[ASEAN, KR]: The Goods Committee established pursuant to Article XX, Chapter YY (Committee on Trade in Goods) shall ^[KR]: ,when a Party identifies specific non-tariff measures,] review non-tariff measures covered by this Chapter ^[ASEAN]: with a view to considering the scope for additional means to enhance the facilitation of trade in goods between the Parties.]]
4. ^[KR]: The Committee on Trade in Goods shall, for the non –tariff measure referred to in paragraph 3, consider approaches that may better facilitate trade between the Parties and present to the Parties the results of its consideration, including any recommendation, preferably within 12 months. If necessary, the results of the consideration and recommendations of the Committee on Trade in Goods shall be submitted to the next meeting of the Joint Committee for consideration and/or action.]

^[ASEAN] Article 2 General Elimination of Quantitative Restrictions] ^[JP] Article X : Import and Export Restriction]

1. ^[KR]: Except as otherwise provided in this Agreement,] ^[ASEAN, KR]: Each Party undertakes not to adopt] ^[JP]: No Party shall introduce] ^[ASEAN, KR, JP]: or maintain any prohibition or]^[ASEAN]: quantitative] restriction ^[JP]: other than customs duties] on the importation of any goods of the other Parties or on the exportation ^[JP]: or sale for export] of any goods destined^[ASEAN]: for the territory of] ^[JP]: to] the other Parties^[JP]: which is inconsistent with its obligations under the relevant provisions of the WTO Agreement] ^[ASEAN]: , except in accordance with its WTO rights and obligations or other provisions in this Agreement]. ^[KR]: Article XI of GATT 1994 and its interpretative notes]. ^[ASEAN, KR]: To this end, Article XI of GATT 1994 ^[KR]: and its interpretative notes], shall be incorporated into and form part of this Agreement, mutatis mutandis.]
2. ^[KR]: The Parties understand that the GATT 1994 rights and obligations incorporated by paragraph 1 prohibit, in any circumstances in which any other form of restriction is prohibited, a Party from adopting or maintaining:
 - (a) export and import price requirements, except as permitted in enforcement of countervailing and antidumping duty orders and undertakings;
 - (b) import licensing conditioned on the fulfillment of a performance requirement; or
 - (c) voluntary export restraints inconsistent with Article VI of GATT 1994, as implemented under Article 18 of the SCM Agreement and Article 8.1 of the AD Agreement.]

^[KR]: Article X.9 Import and Export Restrictions] ^[JP] Article 9: Export Restrictions]

1. ^[JP]: Each Party shall endeavour not to introduce or maintain any prohibitions or restrictions on the exportation or sale for export of any energy, mineral resource good and food as set out in paragraph 2(a) of Article XI or taken consistently with Article XX (b), (g), (i) and (j) of the GATT 1994.]

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2. ^{KR, JP} Where a Party ^{KR} proposes] ^{JP} intends] to adopt an export prohibition or restriction on ^{KR} foodstuffs or energy and mineral resources] ^{JP} an energy, mineral resource good and food] in accordance with paragraph 2(a) of Article XI of GATT 1994 ^{JP} or Article XX (b), (g) and (j) of GATT 1994], the Party shall:

- a. seek to limit such ^{KR} proposed] prohibition or restriction to the extent necessary, giving due consideration to its possible ^{JP} negative] effects on ^{JP} the other Parties:] ^{KR} [the other party]'s foodstuffs or energy and mineral resources security;]
- b. provide ^{JP} the other Parties] ^{KR} notice in writing] ^{JP} written notice thereof], ^{JP} wherever possible prior to the introduction of such prohibition or restriction and] as far in advance as practicable to ^{JP} or, if not, no later than 15 days after such introduction], ^{KR} to [the other party] of such proposed prohibition or restriction, and its reasons together with its nature and expected duration] ^{JP} whereby such written notice shall include a description of the good involved, the introduced prohibition or restriction including its nature, its reasons, and the date of introduction of such prohibition or restriction and expected duration; and]
- c. upon request, provide ^{KR} [the other party]] ^{JP} any other Party having a substantial interest] as an importer with a reasonable opportunity for consultation with respect to any matter related to the proposed prohibition or restriction.]

^{JP} Note: For greater certainty, nothing in this Article shall be construed to require the Parties to take any measures inconsistent with the relevant provisions under the GATT 1994.]

3. ^{KR} In the event that a Party adopts or maintains a prohibition or restriction on the importation from or exportation to a non-Party of a good, no provision of this Agreement shall be construed to prevent the Party from:

- a. limiting or prohibiting the importation of the good of the non-Party from the territory of [the other party]; or
- b. requiring as a condition for exporting the good of the Party to the territory of [the other party], that the good not be re-exported to the non-Party, directly or indirectly, without being consumed in the territory of [the other party].

4. In the event that a Party adopts or maintains a prohibition or restriction on the importation of a good from a non-Party, the Parties, on the request of either Party, shall consult with a view to avoiding undue interference with or distortion of pricing, marketing, or distribution arrangements in the territory of [the other party].

5. [neither Party] may, as a condition for engaging in importation or for the importation of a good, require a person of [the other party] to establish or maintain a contractual or other relationship with a distributor in its territory.

6. For greater certainty, paragraph 5 does not prevent a Party from requiring a person referred to in that paragraph to designate an agent for the purpose of facilitating communications between its regulatory authorities and that person.]

Article 3

Elimination of Other Non-Tariff Barriers

ASEAN has yet to discuss the approach of NTMs. The text of this Article will be drafted upon the agreed ASEAN's approach.

Article 4

Import Licensing Procedures

1. ^{ASEAN} Each Party shall ensure that all automatic and non-automatic import licensing procedures are implemented in a transparent and predictable manner, and applied in accordance with the Agreement on Import Licensing Procedures as contained in Annex 1A to the WTO Agreement. ^{KR} [neither Party] may adopt or maintain a measure that is inconsistent with the Agreement on Import Licensing Procedure.]

2. ^{ASEAN, KR} ^{KR} (a) Promptly after entry into force of this Agreement, each Party shall notify the other Parties of any existing import licensing procedures] ^{KR} ,if any]. ^{ASEAN} Thereafter, each Party shall notify the other Parties of any new import licensing procedure and any modification to its existing import licensing procedures, to the extent possible sixty (60) days before it takes effect, but in any case

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no later than the effective date of the licensing requirement. A notification provided under this Article shall include the information specified in Article 5 of the Agreement on Import Licensing Procedures as contained in Annex 1A to the WTO Agreement.

3. Each Party shall answer within sixty (60) days all reasonable enquiries from another Party with regard to the criteria employed by its respective licensing authorities in granting or denying import licenses. The importing Party shall also consider publication of such criteria.

4. Elements in non-automatic import licensing procedures that are found to be impeding trade shall be identified, with a view to remove such barriers, and to the extent possible work towards automatic import licensing procedures.]

^[KR:] The notification shall:

- (i) include the information specified in Article 5 of the Import Licensing Agreement; and
- (ii) be without prejudice as to whether the import licensing procedure is consistent with this Agreement.

(b) Before applying any new or modified import licensing procedure, a Party shall publish the new procedure or modification on an official government Internet site. To the extent possible, the Party shall do so at least 30 days before the new procedure or modification takes effect.

3. [neither Party] may apply an import licensing procedure to a good of [the other party] unless the Party has complied with the requirements of paragraph 2 with respect to that procedure.]

Article 5

Fees and Charges Connected with Importation and Exportation

^[JP: Article X: Administrative Fees and Formalities]

1. ^[ASEAN, KR, NZ] Each Party shall ensure, in accordance with Article VIII.1 of GATT 1994 ^[KR:] and its interpretive notes, which are hereby incorporated into and made a part of this Agreement, mutatis mutandis] that all fees and charges of whatever character (other than ^[ASEAN:] import or export duties) ^[NZ: customs duties], charges equivalent to an internal tax or other internal charge applied consistently with Article III.2 of GATT 1994, and antidumping and countervailing duties) imposed on or in connection with import or export are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic goods or a taxation on imports or exports for fiscal purposes.]

^[JP:] 1. Each Party shall ensure that all fees and charges imposed on or in connection with importation or exportation of goods are consistent with Article VII of the GATT 1994.

2. ^[ASEAN, KR, NZ] Each Party shall promptly publish details of the fees and charges that it imposes in connection with importation or exportation and shall make such information available on the internet ^{[NZ: or a comparable computer-based telecommunications network.].}]

^[JP:] 2. Each Party shall make available on its websites details of fees and charges that it imposes on or in connection with importation or exportation of goods as soon as possible.]

3. ^[ASEAN:] A Party may not]] ^[JP: Neither Party shall] ^[ASEAN, JP:] require consular transactions, including related fees and charges, in connection with the importation of any ^[JP: originating] good ^[ASEAN: of any other Party]. ^[NZ: Neither Party may require that any documentation supplied in connection with the importation of any good of the other Party be endorsed, certified or otherwise sighted or approved by the importing Party's overseas representatives, or persons or entities with authority to act on the importing Party's behalf, nor impose any related fees or charges.]

^[JP: Note: For the purposes of this paragraph, "consular transaction" means requirements by the consul of the importing Party located in the exporting Party for the purpose of obtaining consular invoices or consular visas for commercial invoices, certificates of origin, manifests, shipper's export declarations, or any other customs documentation required on or in connection with importation.]

^{[KR: Article X}

Export Duties, Taxes, or Other Charges]

^{[JP: Article X}

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Export Duties]

[^{KR}: Neither Party may adopt] [^{JP}: No Party shall introduce] [^{KR, JP}: or maintain any] [^{KR}: duty, tax, or other charge] [^{JP}: duties, fees or other charges of any kind imposed] [^{KR, JP}: on a] [^{KR}: export of any good to the territory of [the other party] [^{JP}: good exported from the Party into another Party], [^{KR}: unless the duty, tax, or charge is also adopted or maintained on the good when] [^{JP}: unless such duties, fees or other charges are not in excess of those imposed on the like good] destined for domestic consumption.]

[^{JP}: (Note: The term “fees or other charges of any kind” shall not include any fees or other charges commensurate with the cost of services rendered, which are consistent with the WTO Agreement).]

^{JP}: **Article X**

Export License Procedure

If a Party adopts or maintains export licensing procedures with respect to an energy, mineral resource good and food:

- (a) the rules for export licensing procedures shall be in conformity with the relevant provisions of GATT 1994 with a view to preventing trade distortions that may arise from an inappropriate operations of such procedures;
- (b) the rules for export licensing procedures shall be neutral in application and administered in a fair and equitable manner;
- (c) the rules and all information concerning procedures for the submission of applications, including the eligibility of persons of the other Parties to make such applications, the administrative bodies to be approached, and the lists of goods subject to the licensing requirement shall be published, as soon as possible, in such a manner as to enable the other Parties and traders of the other Parties to become acquainted with them. Any exceptions, derogations or changes in or from the rules concerning export licensing procedures or the list of good subject to export licensing shall also be published in the same manner as specified above;
- (d) in applying export restrictions to any good in the form of quota, the Parties shall aim at a distribution of trade in such good approaching as closely as possible the shares which is expected in the absence of such restrictions.
- (e) export licensing procedures shall not have trade-restrictive or distortive effects on exports additional to those caused by the imposition of the restriction.
- (f) in the case of licensing requirements for the purposes other than the implementation of quantitative restrictions, the Party shall publish sufficient information for the other Parties and traders of the other Parties to know the basis for granting and/or allocating licenses;
- (g) where the Party provides the possibility for persons of any other Party to request exceptions or derogations from a licensing requirement, the former Party shall include this fact in the information published under paragraph (c) as well as information on how to make such a request and, to the extent possible, as indication of the circumstances under which such a request would be considered;
- (h) the Party shall provide, upon the request of any other Party, all relevant information concerning the administration of the restrictions in accordance with its laws and regulations;
- (i) when administering quotas by means of export licensing, the Party shall publish the overall amount of quotas to be applied and any change thereof, as soon as possible, in such a manner as to enable the other Parties and traders of the other Parties to become acquainted with them.
- (j) in case of allocating quotas among importing countries, the Party shall publish such information, as soon as possible, in such a manner as to enable the other Parties and traders of the other Parties to become acquainted with them.
- (k) any person of the other Parties which fulfils the legal and administrative requirements of the former Party shall be equally eligible to apply and to be considered for a license. If the license application is not approved, the applicant of the other Parties shall, on request, be given the reason therefor and shall have a right of appeal or review in accordance with the domestic legislation or procedures of the former Party.
- (l) when administering quotas, the Party shall not prevent exportation from being effected in accordance with the issued licenses, and shall not discourage the full utilization of quotas;
- (m) when issuing licenses, the Parties shall take into account the desirability of issuing licenses for goods in economic quantities; and

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the Party shall hold consultations, upon the request of any other Party, on any issues related to the implementation of such procedures with the latter Party, and give due consideration to the results of such consultations.]

[KR: Article 13

State Trading Enterprises

1. The rights and obligations of the Parties with respect to state trading enterprises shall be governed by Article XVII of GATT 1994, its interpretative notes, and the Understanding on the Interpretation of Article XVII of GATT 1994, which are incorporated into and made part of this Agreement, mutatis mutandis.

2. Where a Party requests information from [the other party] on individual cases of state trading enterprises, the manner of their operation and the effect of their operations on bilateral trade, the requested Party shall have regard to the need to ensure maximum transparency possible without prejudice to Article XVII.4 (d) of GATT 1994 on confidential information.]

CHAPTER XX

TRADE REMEDIES

SG1-1: Application/Imposition of RCEP/Bilateral Safeguard Measure - General

(KR)Article X.1 If, as a result of the reduction or elimination of a customs duty under this Agreement, an originating good of [the other party] is being imported into the territory of a Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that the imports of such originating good from [the other party] constitute a substantial cause of serious injury, or threat thereof, to a domestic industry producing a like or directly competitive good, (continued)

(JP)Article Y.2

1. Subject to the provisions of this [Section], a Party may apply a RCEP safeguard measure, to the minimum extent necessary to prevent or remedy the serious injury to its domestic industry and to facilitate adjustment thereof, if an originating good imported from [the other Parties], as a result of the elimination or reduction of a customs duty in accordance with Article [X.x (Reduction or elimination of import duties)], is being imported into that Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that the imports of that originating good constitute a substantial cause of serious injury, or threat of serious injury, to a domestic industry of the importing Party.

Drafting Note: While Japan's proposal is intended to apply the RCEP safeguard measure to an originating good imported from the other Parties collectively, Japan does not rule out the possibility to apply the RCEP safeguard measure to an originating good from another specific Party calculating increased quantities from that other Party. In the latter case, the feasibility of applying the RCEP safeguard measure on the Party specific basis should be considered depending on the outcomes of the negotiations on other areas, including the negotiations on MA in trade in goods. (Japan acknowledges that there are legal and technical difficulties in applying the RCEP safeguard measure on the Party specific basis since Japan proposes "originating goods obtained or produced in one or more of the Parties in RCEP" under which the Party where the originating status of the good is qualified cannot be specified.)

(IN) Article 2

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If as a result of the reduction or elimination of a customs duty under this Agreement, an originating good of the other Party is being imported into the territory of a Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that the imports of such good from the other Party cause or threaten to cause a serious injury to domestic producers of like or directly competitive products. (continued)

SG1-2: Application/Imposition of RCEP/Bilateral Safeguard Measure – Contents of Measure

(KR) Article X.1

(omitted)

the Party may:

- (a) suspend the further reduction of any rate of customs duty on the good provided for under this Agreement;
- (b) increase the rate of customs duty on the good to a level not to exceed the lesser of:
 - (i) the most-favored-nation (MFN) applied rate of duty on the good in effect at the time the action is taken; and
 - (ii) the base rate of customs duty specified in the Schedules included in Annex X-A (Elimination of Customs Duties) pursuant to Article X.4 (Reduction or Elimination of Customs Duties).
- (c) in the case of a customs duty applied to a good on a seasonal basis, increase the rate of duty to a level that, for each season, does not exceed the lesser of:
 - (i) the MFN applied rate of duty on the good in effect for the corresponding season immediately preceding the date of application of the safeguard measure; and
 - (ii) the MFN applied rate of duty on the good in effect for the corresponding season immediately preceding the date this Agreement enters into force.]

(JP) Article Y.1

2. A Party may, as a RCEP safeguard measure:

- (a) suspend the further reduction of any rate of customs duty on the originating good provided for in this Agreement; or
- (b) increase the rate of customs duty on the originating good to a level not to exceed the lesser of:
 - (i) the most-favoured-nation applied rate of customs duty in effect on the day when the RCEP safeguard measure is applied; and
 - (ii) the most-favoured-nation applied rate of customs duty in effect on the day immediately preceding the date of entry into force of this Agreement.]

Drafting Note: While Japan's proposal is intended to apply the RCEP safeguard measure to an originating good imported from the other Parties collectively, Japan does not rule out the possibility to apply the RCEP safeguard measure to an originating good from another specific Party calculating increased quantities from that other Party. In the latter case, the feasibility of applying the RCEP safeguard measure on the Party specific basis should be considered depending on the outcomes of the negotiations on other areas, including the negotiations on MA in trade in goods. (Japan acknowledges that there are legal and technical difficulties in applying the RCEP safeguard measure on the Party specific basis since Japan proposes "originating goods obtained or produced in one or more of the Parties in RCEP" under which the Party where the originating status of the good is qualified cannot be specified.)

(IN) Article 2 (continued)

(omitted)

such Party may:

- (a) suspend the further reduction of any rate of customs duty on the good provided for under this Agreement; or
- (b) increase the rate of customs duty on the good to a level not to exceed the lesser of:
 - (i) The MFN applied rate of customs duty on the good in effect at the time the measure is taken; and
 - (ii) The MFN applied rate of customs duty on the good in effect on the day immediately preceding the date of entry into force of this Agreement;

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SG2: Notification (and Consultation)

(KR) Article X.2

1. A Party shall notify [the other party] in writing on initiation of an investigation described in paragraph 2 and shall consult with [the other party] within 30 days after the initiation of the investigation, with a view to reviewing the information arising from the investigation and exchanging views on the measure.

(JP) Article Y.5

1. A Party shall immediately make a written notice to [the other Parties] upon:
 - (a) initiating an investigation referred to in paragraph 1 of Article [Y.4] relating to serious injury, or threat of serious injury, and the reasons for it; and
 - (b) taking a decision to apply or extend a RCEP safeguard measure.
2. The Party making the written notice referred to in paragraph 1 shall provide [the other Parties] with all pertinent information, which shall include:
 - (a) in the written notice referred to in subparagraph 1(a), a summary of the reason for the initiation of the investigation, a precise description of the originating good subject to the investigation and its subheading under the Harmonized System, the period subject to the investigation and the date of initiation of the investigation; and
 - (b) in the written notice referred to in subparagraph 1(b), a summary of evidence of serious injury or threat of serious injury caused by the increased imports of the originating good, a precise description of the originating good subject to the proposed RCEP safeguard measure and its subheading under the Harmonized System, a precise description of the proposed RCEP safeguard measure, the proposed date of the introduction, expected duration of the RCEP safeguard measure, and timetable for progressive liberalization referred to in paragraph 2 of Article [Y.3].

(IN) Article 3

The following conditions and limitations shall apply to an investigation or a measure described in Article 1 of this section:

- (a) a Party shall immediately deliver written notice to the other Party upon:
 - (i) initiating an investigatory process relating to serious injury or threat thereof and the reasons for it;
 - (ii) making a finding of serious injury or threat thereof caused by increased imports; and
 - (iii) taking a decision to apply or imposition of safeguard measure;
- (b) in making the notification referred to in paragraph (a) the Party proposing to apply a safeguard measure shall provide the other Party with all pertinent information, which shall include evidence of serious injury or threat thereof caused by the increased imports, precise description of the good involved and the proposed measure, proposed date of introduction and expected duration, as applicable;
- (c) a Party proposing to apply a measure shall provide adequate opportunity for prior consultations with the other Party as far in advance of taking any such measure as practicable with a view to reviewing the information arising from the investigation, exchanging views on the measure. The Parties shall in such consultations, review, inter alia, the information provided under paragraph (b) above, to determine:
 - (i) compliance with this section;
 - (ii) whether any proposed measure should be taken; and
 - (iii) the appropriateness of the proposed measure, including consideration of alternative measures;

SG3-1: Investigation - General

(KR) Article X.2

2. A Party shall apply a safeguard measure only following an investigation by the Party's competent authorities in accordance with Articles 3 and 4.2(c) of the Safeguards Agreement, and to this end,

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Articles 3 and 4.2(c) of the Safeguards Agreement are incorporated into and made a part of this Agreement, *mutatis mutandis*.

3. In the investigation described in paragraph 2, the Party shall comply with the requirements of Article 4.2(a) of the Safeguards Agreement, and to this end, Article 4.2(a) of the Safeguards Agreement is incorporated into and made a part of this Agreement, *mutatis mutandis*.

(JP) Article Y.2

1. A Party may apply a RCEP safeguard measure only after an investigation has been carried out by the competent authorities of that Party in accordance with the same procedures as those provided for in Article 3 and subparagraph 2 of Article 4 of the Agreement on Safeguards in Annex 1A to the WTO Agreement (hereinafter referred to as "the Agreement on Safeguards").

(IN) Article 3

(d) a Party shall apply / take the measure only following an investigation by the competent authorities of such Party in accordance with Articles 3 and 4.2(c) of the WTO Agreement on Safeguards; and to this end, Articles 3 and 4.2(c) of the WTO Agreement on Safeguards are incorporated into and made a part of this Agreement, *mutatis mutandis*;

(e) in undertaking the investigation described in paragraph (d) above, a Party shall comply with the requirements of Article 4.2(a) and (b) of the WTO Agreement on Safeguards; and to this end, Article 4.2(a) and (b) are incorporated into and made a part of this Agreement, *mutatis mutandis*;

SG3-2: Investigation – Duration of Investigation

(KR) Article X.2

4. Each Party shall ensure that its competent authorities complete any such investigation within one year of its date of initiation.

(JP) Article Y.2

2. The investigation referred to in paragraph 1 shall in all cases be completed within one year following its date of initiation.

(IN) Article 3

(g) the investigation shall in all cases be completed within one year following its date of initiation;

SG4: Threshold

(IN) Article 3

(f) the investigation shall be promptly terminated and no measure taken if imports of the subject good represent less than 3 per cent of total imports².

SG5-1: Duration of the Measure - General

(KR) Article X.2

5. [neither party] may apply a safeguard measure:

- (a) except to the extent, and for such time, as may be necessary to prevent or remedy serious injury and to facilitate adjustment;
- (b) for a period exceeding two years, except that the period may be extended by up to one year if the competent authorities of the importing Party determine, in conformity with the procedures specified in this Article, that the measure continues to be necessary to prevent or remedy serious injury and to facilitate adjustment and that there is evidence that the industry is adjusting, provided that the total period of application of a safeguard measure, including the period of initial application and any extension thereof, shall not exceed three years; or

² The time frame to be used for calculating the applicable percentages shall be the 12 month period prior to the filing of the petition.

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(JP) Article Y.3

1. No RCEP safeguard measure shall be maintained except to the extent and for such period of time as may be necessary to prevent or remedy serious injury and to facilitate adjustment, provided that such period of time shall not exceed a period of [] years. However, in highly exceptional circumstances, a RCEP safeguard measure may be extended, provided that the total duration of the RCEP safeguard measure, including such extensions, shall not exceed [] years.

(IN) Article 3

- (h) no measure shall be maintained:
 - (i) except to the extent and for such time as may be necessary to remedy serious injury or threat thereof and to facilitate adjustment;
 - (ii) for a period exceeding **two** years, except that in exceptional circumstances, the period may be extended by up to an additional **two years**, to a total maximum of **four** years from the date of first imposition of the measure if the investigating authorities determine in conformity with procedures set out in paragraphs (a) through (g), that the safeguard measure continues to be necessary to prevent or remedy serious injury and to facilitate adjustment and that there is evidence that the industry is adjusting;

SG5-2: Duration of the Measure – Additional Conditions

(KR) Article X.2

5. [neither party] may apply a safeguard measure:

[omitted]

- (c) beyond the expiration of the transition period, except with the consent of [the other party].

(IN) Article 3

- (i) no measure shall be applied in the first year after the commencement of the tariff reduction or tariff elimination as negotiated under this Agreement comes into force;
- (ii) no bilateral safeguard measure shall be taken beyond the expiration of the transition period that shall be defined as a period from the date of entry into force of this Agreement until [X] years from the date of completion of tariff elimination or completion of tariff reduction, as the case may be for each good;

SG6: Repetition of Application

(KR) Article X.2

6. [neither party] may apply a safeguard measure more than once against the same good.

(JP) Article Y.3

3. No RCEP safeguard measure shall be applied again to the import of a particular originating good which has been subject to such a RCEP safeguard measure, for a period of time equal to the duration of the previous RCEP safeguard measure or one year, whichever is longer.

(IN) Article 3

- (m) no bilateral safeguard measure shall be applied to the import of a product that has previously been subject to such a measure, for a period of at least one year since the expiry of the measure.

SG7: Progressive Liberalization of the Safeguard Measure

(KR) Article X.2

7. Where the expected duration of the safeguard measure is over one year, the importing Party shall progressively liberalize it at regular intervals.

(JP) Article Y.3

2. In order to facilitate adjustment in a situation where the expected duration of a RCEP safeguard measure is over one year, the Party maintaining the RCEP safeguard measure shall progressively liberalize the RCEP safeguard measure at regular intervals during the period of application.

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SG8: Preferential Treatment After the Termination of the Measure

(KR) Article X.2

8. When a Party terminates a safeguard measure, the rate of customs duty shall be the rate that, according to the Party's Tariff Elimination Schedule, would have been in effect but for the measure.

(JP) Article Y.3

4. Upon the termination of a RCEP safeguard measure, the rate of customs duty for the originating good subject to the measure shall be the rate which would have been in effect but for the RCEP safeguard measure.

(IN) Article 3

(k) upon the termination of the safeguard measure, the rate of duty shall be the rate which would have been in effect, as per the reduction schedule, but for the action;

SG9-1: Provisional Measures - General

(KR) Article X.3

1. In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a safeguard measure on a provisional basis pursuant to a preliminary determination by its competent authorities that there is clear evidence that imports of an originating good from [the other party] have increased as the result of the reduction or elimination of a customs duty under this Agreement, and such imports constitute a substantial cause of serious injury, or threat thereof, to the domestic industry.

(JP) Article Y.7

1. In critical circumstances, where delay would cause damage which it would be difficult to repair, a Party may apply a provisional RCEP safeguard measure, which shall take the form of the measure set out in subparagraph 2(a) or (b) of Article [Y.2], pursuant to a preliminary determination that there is clear evidence that increased imports of an originating good have caused or are threatening to cause serious injury to a domestic industry of that Party.

(IN) Article 5

In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a bilateral safeguard measure as per Article 2 (a) or 2 (b) of this section on a provisional basis, without complying with the procedural requirements on consultations of Article 3 (b) and (c) of this section above, pursuant to a preliminary determination that there is clear evidence that imports of a product originating in the other Party have increased as the result of concessions under this Agreement, and such imports cause or threaten to cause serious injury. *(to be discussed in SG9-4: The duration of any provisional measure shall not exceed 200 days, during which time the Party shall comply with the requirements of Article 3 of this section). (to be discussed in SG9-5: The Party shall promptly refund any tariff increases if the investigation does not result in a finding that the requirements of Article 2 of this section are met.) (to be discussed in SG9-4: The duration of any provisional measure shall be counted as part of the period described in Article 3 (h) (ii) of this section.) (to be discussed in SG9-3: Upon taking such provisional measures, the importing Party shall inform the other Party and invite it for consultations.)*

SG9-2: Provisional Measures – Public Notice and Notice to the Interested Private Sectors and Limitations

(KR) Article X.3

2. Before a Party's competent authorities may make a preliminary determination, the Party shall publish a public notice in its official journal setting forth how interested parties, including importers and exporters, may obtain a non-confidential copy of the application requesting a provisional safeguard measure, and shall provide interested parties at least 20 days after the date it publishes the notice to submit evidence and views regarding the application of a provisional measure. A Party may not apply a provisional measure until at least 45 days after the date its competent authorities initiate an investigation.

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SG9-3: Provisional Measures –Notification and Consultation

(KR) Article X.3

3. The applying Party shall notify [the other party] before applying a safeguard measure on a provisional basis, and shall initiate consultations about compensation after applying the measure.

(JP) Article Y.7

2. A Party shall make a written notice to [the other Parties] prior to applying a provisional RCEP safeguard measure. Consultations between the Parties on the application of the provisional RCEP safeguard measure shall be initiated immediately after the provisional RCEP safeguard measure is applied.

(IN) Article 5

(to be discussed in SG9-1: In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a bilateral safeguard measure as per Article 2 (a) or 2 (b) of this section on a provisional basis, without complying with the procedural requirements on consultations of Article 3 (b) and (c) of this section above, pursuant to a preliminary determination that there is clear evidence that imports of a product originating in the other Party have increased as the result of concessions under this Agreement, and such imports cause or threaten to cause serious injury.) (to be discussed in SG9-4: The duration of any provisional measure shall not exceed 200 days, during which time the Party shall comply with the requirements of Article 3 of this section.) (to be discussed in SG9-5: The Party shall promptly refund any tariff increases if the investigation does not result in a finding that the requirements of Article 2 of this section are met.) (to be discussed in SG9-4: The duration of any provisional measure shall be counted as part of the period described in Article 3 (h) (ii) of this section.) Upon taking such provisional measures, the importing Party shall inform the other Party and invite it for consultations.

SG9-4: Provisional Measures – Duration of Provisional Measures

(KR) Article X.3

4. The duration of any provisional measure shall not exceed 200 days, during which time the Party shall comply with the requirements of Articles X.2.2 and X.2.3.

5. *(to be discussed in SG9-5: The Party shall promptly refund any tariff increases if the investigation described in Article X.2.2 does not result in a finding that the requirements of Article X.1 are met.) The duration of any provisional measure shall be counted as part of the period described in Article X.2.5(b).*

(JP) Article Y.7

3. The duration of a provisional RCEP safeguard measure shall not exceed 200 days. During that period, the pertinent requirements of Article [Y.4] shall be met. The duration of the provisional RCEP safeguard measure shall be counted as a part of the period referred to in paragraph 1 of Article [Y.3].

(IN) Article 5

(to be discussed in SG9-1: In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a bilateral safeguard measure as per Article 2 (a) or 2 (b) of this section on a provisional basis, without complying with the procedural requirements on consultations of Article 3 (b) and (c) of this section above, pursuant to a preliminary determination that there is clear evidence that imports of a product originating in the other Party have increased as the result of concessions under this Agreement, and such imports cause or threaten to cause serious injury.) The duration of any provisional measure shall not exceed 200 days, during which time the Party shall comply with the requirements of Article 3 of this section. (to be discussed in SG9-5: The Party shall promptly refund any tariff increases if the investigation does not result in a finding that the requirements of Article 2 of this section are met.) The duration of any provisional measure shall be counted as part of the period described in Article 3 (h) (ii) of this section. (to be discussed in SG9-3: Upon taking such provisional measures, the importing Party shall inform the other Party and invite it for consultations.)

SG9-5: Provisional Measures – Refund of the Customs Duties

(KR) Article X.3

5. The Party shall promptly refund any tariff increases if the investigation described in Article X.2.2 does not result in a finding that the requirements of Article X.1 are met. *(to be discussed in SG9-4 The*

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duration of any provisional measure shall be counted as part of the period described in Article X.2.5(b)).

(JP) Article Y.7

4. Paragraph 4 of Article [Y.3] and paragraphs 1 and 2 of Article [Y.9] shall apply, mutatis mutandis, to a provisional RCEP safeguard measure. The customs duty imposed as a result of the provisional RCEP safeguard measure shall be refunded if the subsequent investigation referred to in paragraph 1 of Article [Y.4] does not determine that increased imports of an originating good have caused or threatened to cause serious injury to a domestic industry.

(IN) Article 5

*(to be discussed in SG9-1: In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a bilateral safeguard measure as per Article 2 (a) or 2 (b) of this section on a provisional basis, without complying with the procedural requirements on consultations of Article 3 (b) and (c) of this section above, pursuant to a preliminary determination that there is clear evidence that imports of a product originating in the other Party have increased as the result of concessions under this Agreement, and such imports cause or threaten to cause serious injury.) (to be discussed in SG9-4: The duration of any provisional measure shall not exceed 200 days, during which time the Party shall comply with the requirements of Article 3 of this section.) **The Party shall promptly refund any tariff increases if the investigation does not result in a finding that the requirements of Article 2 of this section are met.** (to be discussed in SG9-4: The duration of any provisional measure shall be counted as part of the period described in Article 3 (h) (ii) of this section.) (to be discussed in SG9-3: Upon taking such provisional measures, the importing Party shall inform the other Party and invite it for consultations.)*

SG10: Consultations and Compensation

(KR) Article X.4

1. No later than 30 days after it applies a safeguard measure, a Party shall afford an opportunity for [the other party] to consult with it regarding appropriate trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the measure. The applying Party shall provide such compensation as the Parties mutually agree.

2. If the Parties are unable to agree on compensation through consultation under paragraph 1 within 30 days after consultations begin, the Party against whose originating good the measure is applied may suspend the application of concessions with respect to originating goods of the applying Party that have trade effects substantially equivalent to the safeguard measure.

3. The applying Party's obligation to provide compensation under paragraph 1 and [the other party]'s right to suspend concessions under paragraph 2 shall terminate on the date the safeguard measure terminates.

4. Any compensation shall be based on the total period of application of the provisional safeguard measure and of the safeguard measure.

(JP) Article Y.6

1. A Party proposing to apply or extend a RCEP safeguard measure shall provide adequate opportunity for prior consultations with [the Parties having a substantial interest as exporters of the good concerned] with a view to reviewing the information arising from the investigation referred to in paragraph 1 of Article [Y.4], exchanging views on the RCEP safeguard measure and reaching an agreement on compensation set out in this Article.

2. A Party proposing to apply or extend a RCEP safeguard measure shall provide to [the exporting Parties which would be affected by such a measure] mutually agreed adequate means of trade compensation in the form of concessions of customs duties whose value is substantially equivalent to that of the additional customs duties expected to result from the RCEP safeguard measure.

3. If the consulting Parties are unable to agree on the compensation within 30 days after the commencement of the consultations pursuant to paragraph 1, [the affected exporting Parties] to whose originating good the RCEP safeguard measure is applied shall be free to suspend the application of concessions of customs duties under this Agreement, which are substantially equivalent to the RCEP safeguard measure. The Party exercising the right of suspension may suspend the application of

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concessions of customs duties only for the minimum period necessary to achieve the substantially equivalent effects and only while the RCEP safeguard measure is maintained.

[Drafting Note]: Whether Japan proposes the clause which prohibits the Parties from exercising the right of suspension referred to in paragraph 3 of Article Y.6 for certain period would be depending on the outcomes of the negotiations on other areas, including MA of trade in goods.]

(IN) Article 4

1. A Party applying a bilateral safeguard measure shall consult with the Party whose products are subject to the measure in order to mutually agree on appropriate trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the measure. The Party shall provide an opportunity for such consultations no later than 30 days after the application of definitive bilateral safeguard measure. If these consultations do not result in an agreement on trade liberalizing compensation within 30 days, the Party whose products are subject to the safeguard measure may suspend the application of substantially equivalent concessions to the trade of the Party applying the safeguard measure.

2. Such compensation described in paragraph 1 shall not be provided if the measure described in Article 2 of this Section is applied for:

- (a) up to two years; or
- (b) up to three years, and the Party imposing the measure described in Article 2 of this section provides to the other Party evidence that the industry concerned is adjusting during the period up to the end of the second year.

SG11: Global Safeguard Measures

(KR) Article X.5

1. Each Party retains its rights and obligations under Article XIX of GATT 1994 and the Safeguards Agreement. This Agreement does not confer any additional rights or obligations on the Parties with regard to actions taken under Article XIX of GATT 1994 and the Safeguards Agreement, except that a Party taking a global safeguard measure may exclude imports of an originating good of [the other party] if such imports are not a substantial cause of serious injury or threat thereof.

2. At the request of [the other party], the Party intending to take safeguard measures shall provide immediately ad hoc written notification of all pertinent information on the initiation of a safeguard investigation, the preliminary determination and the final finding of the investigation.

3. [neither party] may apply, with respect to the same good, at the same time:

- (a) a bilateral safeguard measure; and
- (b) a measure under Article XIX of GATT 1994 and the Safeguards Agreement.

(JP) Article Y.8

Nothing in this [Section] shall prevent a Party from applying safeguard measures to an originating good in accordance with:

- (a) Article XIX of the GATT 1994 and the Agreement on Safeguards; or
- (b) Article 5 of the Agreement on Agriculture.

(IN) (Section 2 Global Safeguard Measure) Article 1

1. Each Party retains its rights and obligations under Article XIX of GATT 1994, the WTO Agreement on Safeguards, the WTO Agreement on Agriculture and their successor Agreements.

2. There shall be no simultaneous application of any safeguard measures under this section and Section 3 Bilateral Safeguard Measures or Article 5 of the Agreement on Agriculture against imports of the same product originating in one of the Parties.

Article 3 (j) in accordance with Article 1.2 of Section 2 Global Safeguard Measures, no bilateral safeguard measure shall be taken against a particular good while a global safeguard measure in respect of that good is in place; in the event that a global safeguard measure is taken in respect of a particular good, any existing bilateral safeguard measure which is taken against that good shall be terminated;

[Without prejudice to the final position of the relevant Parties]

SG12: Miscellaneous/Administrations

(JP) Article Y.9

1. Each Party shall ensure the consistent, impartial and reasonable administration of its laws and regulations relating to RCEP safeguard measures.
2. Each Party shall adopt or maintain equitable, timely, transparent and effective procedures relating to RCEP safeguard measures.
3. A written notice referred to in paragraph 1 of Article [Y.5] and paragraph 2 of Article [Y.7] and any other communication between the Parties under this [Section] shall be made in the English language.
4. The Parties shall review the provisions of this [Section], if necessary, after 10 years of the date of entry into force of this Agreement.

(IN) Article 6

1. Each Party shall ensure the consistent, impartial and reasonable administration of its laws, regulations, decisions and rulings governing all safeguard investigation action proceedings.
2. Each Party shall entrust determinations of serious injury or threat thereof in safeguard investigation proceedings to a competent investigating authority.
3. Each Party shall adopt or maintain equitable, timely, transparent and effective procedures for safeguard investigation proceedings.
4. All communications related to the Safeguard investigations and the actions thereof shall be in English Language.

SG13: Definitions

(KR) Article X.6

For purposes of Section A:

domestic industry means, with respect to an imported good, the producers as a whole of the like or directly competitive good operating in the territory of a Party, or those whose collective output of the like or directly competitive good constitutes a major proportion of the total domestic production of that good;

safeguard measure means a measure described in Article X.1;

serious injury means a significant overall impairment in the position of a domestic industry;

substantial cause means a cause that is important and not less than any other cause;

threat of serious injury means serious injury that, on the basis of facts and not merely on allegation, conjecture, or remote possibility, is clearly imminent; and

transition period means the ten-year period following the date this Agreement enters into force, except that for any good for which the Schedule to Annex 2-A (Tariff Elimination) of the Party applying the safeguard measure provides for the Party to eliminate its tariffs on the good over a period of more than ten years, transition period means the tariff elimination period for the good set out in that Schedule.

(JP) Article Y.1

For the purposes of this [Section] :

- (a) the term "RCEP safeguard measure" means a safeguard measure provided for in this [Section];
- (b) the term "domestic industry" means the producers as a whole of the like or directly competitive goods operating in a Party, or those whose collective output of the like or directly competitive goods constitutes a major proportion of the total domestic production of those goods;
- (c) the term "provisional RCEP safeguard measure" means a provisional RCEP safeguard measure provided for in paragraph 1 of Article [Y.7];
- (d) the term "serious injury" means a significant overall impairment in the position of a domestic industry; and
- (e) the term "threat of serious injury" means serious injury that, on the basis of facts and not merely on allegation, conjecture or remote possibility, is clearly imminent.

[Without prejudice to the final position of the relevant Parties]

(IN) Article 1

For the purposes of this Chapter:

1. "domestic industry" shall be understood to mean the producers as a whole of the like or directly competitive products, operating in the territory of the Party or when it is not possible, those whose collective output of the like or directly competitive products constitutes a major proportion of the total production of such products;
2. "serious injury" shall be understood to mean the significant overall impairment in the position of a domestic industry;
3. "threat of serious injury" shall be understood to mean the serious injury that is clearly imminent, based on facts and not merely on allegation, conjecture or remote possibility;
4. "MFN" means "most favoured nation" treatment in accordance with Article I of GATT 1994.

**TRADE REMEDIES
ANTIDUMPING AND COUNTERVAILING DUTIES**

AD1: General Provision

(KR) Article .7

1. Except as otherwise provided for in this Agreement, each Party retains its rights and obligations under the WTO Agreement with regard to the application of antidumping and countervailing duties
3. The Parties agree not to take any action in an arbitrary, protectionist or retaliatory manner pursuant to the WTO Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994.

(JP) Article Y.10

The Parties reaffirm their rights and obligations under the provisions of Article VI of GATT 1994 and the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement ("the Agreement on Anti-Dumping")

(IN) Section 1: Article 1

Except as otherwise provided for in this Agreement, the Parties retain their rights and obligations under Article VI of GATT 1994, the Anti-Dumping Agreement and the Agreement on Subsidies and Countervailing Measures.

AD2: Notification (and Consultations)

(KR) Article X.8

1. Upon receipt by a Party's competent authorities of a properly documented antidumping application with respect to imports from [the other party], and no later than 15 days before initiating an investigation, the Party shall provide written notification to [the other party] of its receipt of the application and afford [the other party] a meeting or other similar opportunities regarding the application, consistent with the Party's law.
2. Upon receipt by a Party's competent authorities of a properly documented countervailing duty application with respect to imports from [the other party], and before initiating an investigation, the Party shall provide written notification to [the other party] of its receipt of the application and afford [the other party] a meeting to consult with its competent authorities regarding the application.

(JP) Article Y.12

When the investigating authority of a Party receives a written application by or on behalf of its domestic industry for the initiation of the investigation in respect of a good from another Party, the Party shall, at least 10 working days in advance of the initiation of such investigation, notify that other Party, and provide it with the full text, of the application.

(IN) Article 2

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2.1 Parties agree that before initiation of an investigation under the Agreement on Subsidies and Countervailing Measures (ASCM), the Party intending to initiate the investigation shall invite the other Party for consultations, giving 30 days prior notice, to meet the objectives of Article 13.1 of the ASCM. The Parties will endeavour to hold the consultations within this period.

2.2 In view of the consultations referred to in sub-paragraph 2.1, both Parties agree that the Party intending to initiate the investigation shall, before the initiation, provide the non-confidential version of the complaint to the other Party. The Party conducting the investigation, shall also provide adequate opportunity to the other Party to offer its comments and submit additional information / documents, wherever required and in conformity with the procedural rules of the domestic legislation of the importing Party.

2.3 The investigating authority of a Party shall, upon accepting a properly documented application for the initiation of an anti-dumping investigation in respect of goods from the other Party, and before proceeding to initiate such anti-dumping investigation, notify the other Party at least 7 working days in advance of the date of initiation of such an investigation.

2.4 In addition to the usual practice regarding notification in anti-dumping investigations, each Party shall, for the purposes of paragraph 2.3, designate a contact point to which such notification shall be conveyed through electronic means. Parties recognise that it may not always be practicable for such notification to include attachments and enclosures referred to therein.

2.5 No affirmative determination whether preliminary or final shall be made by the Party, without reasonable opportunity for consultations having been given.

AD3: Examination of the Effect on the Prices in the Domestic Market

(JP) Article Y.11

When the investigating authority of a Party compares the prices of the dumped imports with those of the domestic like goods of the Party in order to involve an objective examination of the effect of the dumped imports on prices in the domestic market for like goods for the purpose of determining the injury referred to in paragraph 1 of Article 3 of the Agreement on Anti-Dumping, the prices of the dumped imports and those of the domestic like goods shall be comparable.

AD4: Treatment of Confidential Information

(JP) Article Y.13

1. The investigating authority of a Party shall require interested parties providing confidential information to furnish non-confidential summaries thereof as referred to in paragraph 5.1 of Article 6 of the Agreement on Anti-Dumping. The non-confidential summaries referred to in paragraph 5.1 of Article 6 of the Agreement on Anti-Dumping shall be in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence in order to allow the other interested parties in the investigation an opportunity to respond and defend their interest.

2. The exceptional circumstances referred to in paragraph 5.1 of Article 6 of the Agreement on Anti-Dumping shall be limited to the cases where summarization necessarily leads to disclosure of the sensitive information, or a failure to provide a sufficient level of detail to permit a reasonable understanding of the substance of the information submitted in confidence.

(IN) Article 3

3.1 The investigating authority of a Party shall require interested parties providing confidential information to furnish non-confidential summaries thereof as referred to in paragraph 5.1 of Article 6 of the Anti-Dumping Agreement. The non-confidential summaries referred to in paragraph 5.1 of Article 6 of the Anti-Dumping Agreement shall be in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence.

3.2 The exceptional circumstances referred to in paragraph 5.1 of Article 6 of the Anti-Dumping Agreement shall be limited to the cases where summarization necessarily leads to disclosure of the

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confidential information, or a failure to provide a sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence.

AD5: Disclosure of the Essential Facts

(KR) Article X.7

2. The Parties agree that anti-dumping and countervailing duties should be used in full compliance with the relevant WTO requirements and should be based on a fair and transparent system as regards proceedings affecting goods originating in [the other party]. For this purpose the Parties shall ensure, immediately after any imposition of provisional measures and in any case before the final determination, full and meaningful disclosure of all essential facts and considerations which form the basis for the decision to apply measures, without prejudice to Article 6.5 of the Anti-Dumping Agreement and Article 12.4 of the SCM Agreement. Disclosures shall be made in writing, and allow interested parties sufficient time to make their comments.

(JP) Article Y.14

The investigating authority of a Party shall, before a final determination is made, inform all interested parties of the essential facts as referred to in paragraph 9 of Article 6 of the Agreement on Anti-Dumping. The essential facts referred to in paragraph 9 of Article 6 of the Agreement on Anti-Dumping shall, due regard being paid to the requirement for the protection of confidential information in accordance with paragraph 5 of Article 6 of the Agreement on Anti-Dumping and Article [Y.13], include, but shall not be limited to, the following:

- (a) the margins of dumping established, an explanation of the basis upon which normal values were established, the basis upon which export prices were established, and the methodology used in the comparison of the export prices and normal values including any adjustments;
- (b) information relevant to the injury determination, including information concerning the volume and the effect of the dumped imports on prices in the domestic market for like goods, detailed methodology used in the calculations of price undercutting, the consequent impact of the dumped imports on the domestic industry, and the demonstration of a causal relationship including the examination of factors other than the dumped imports as referred to in paragraph 5 of Article 3 of the Agreement on Anti-Dumping; and
- (c) if the investigating authority intends to make the determination on the basis of the facts available pursuant to paragraph 8 of Article 6 of the Agreement on Anti-Dumping, (i) indication of which of the cases under the paragraph is applicable, (ii) the information which the interested party has failed to submit to the investigating authority and (iii) the facts with which the investigating authority used to replace the information referred to in subparagraph (ii).

AD6: UNDERTAKINGS

(KR) Article X.9

1. After a Party's competent authorities initiate an antidumping or countervailing duty investigation, the Party shall transmit to [the other party]'s embassy or competent authorities written information regarding the Party's procedures for requesting its authorities to consider an undertaking on price or, as appropriate, on quantity, including the time frames for offering and concluding any such undertaking.

2. In an antidumping investigation, where a Party's authorities have made a preliminary affirmative determination of dumping and injury caused by such dumping, the Party shall afford due consideration, and adequate opportunity for consultations, to exporters of [the other party] regarding proposed price undertakings which, if accepted, may result in suspension of the investigation without imposition of antidumping duties, through the means provided for in the Party's laws and procedures.

3. In a countervailing duty investigation, where a Party's authorities have made a preliminary affirmative determination of subsidization and injury caused by such subsidization, the Party shall

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afford due consideration, and adequate opportunity for consultations, to [the other party] and exporters of [the other party], regarding proposed undertakings on price or, as appropriate, on quantity, which, if accepted, may result in suspension of the investigation without imposition of countervailing duties, through the means provided for in the Party's laws and procedures.

AD6: LESSER DUTY RULE

(KR) Article X.10

Should a Party decide to impose an anti-dumping or countervailing duty, the amount of such duty shall not exceed the margin of dumping or countervailable subsidies, and it should be less than the margin if such lesser duty would be adequate to remove the injury to the domestic industry.

(IN) Article 4

Should a Party decide to impose anti-dumping or countervailing duty, the amount of such duty shall not exceed the margin of dumping or countervailable subsidies, but it should be less than the margin if such a lesser duty would be adequate to remove the injury to the domestic industry.

AD7: SUNSET REVIEWS

(JR) Article Y.15

1. Where a Party initiates a review under paragraph 3 of Article 11 of the Agreement on Anti-Dumping, it shall be initiated not later than six months prior to the end of the five-year period following the date of the imposition of the anti-dumping duty or of the five-year period following the effective date of the most recent review of the anti-dumping duty. [The review shall preferably be completed before the end of that five-year period and shall in no case be completed later than six months thereafter.

2. Any anti-dumping duty extended beyond the end of the initial five year period following a review in accordance with paragraph 3 of Article 11 of the Agreement on Anti-Dumping shall be terminated on a date not later than [X] years after the date of the imposition of the anti-dumping duty.

AD8: INVESTIGATION AFTER TERMINATION RESULTING FROM A REVIEW

(KR) Article X.11

The Parties agree to examine, with special care, any application for initiation of an anti-dumping investigation on a good originating in [the other party] and on which anti-dumping measures have been terminated in the previous 12 months as a result of a review. Unless this pre-initiation examination indicates that the circumstances have changed, the investigation shall not proceed.

AD9: CUMULATIVE ASSESSMENT

(KR) Article X.12

When imports from more than one country are simultaneously subject to anti-dumping or countervailing duty investigation, a Party shall examine, with special care, whether the cumulative assessment of the effect of the imports of [the other party] is appropriate in light of the conditions of competition between the imported goods and the conditions of competition between the imported goods and the like domestic goods.

AD10: CONSIDERATION OF PUBLIC INTERESTS

(KR) Article X.13

The Parties shall endeavour to consider the public interests before imposing an anti-dumping or countervailing duty.

AD11: PUBLIC NOTICE and EXPLANATION of DETERMINATION

(Provisions under this Article to be proposed)

[Without prejudice to the final position of the relevant Parties]

AD12: PROHIBITION OF ZEROING

(KR) Article X.14

When anti-dumping margins are established, assessed, or reviewed under Articles 2.9.3, 9.5, and 11 of the Anti-Dumping Agreement regardless of the comparison bases under Article 2.4.2 of the Anti-Dumping Agreement, all individual margins, whether positive or negative, should be counted toward the average.

(IN) Article 5

When anti-dumping margins are established, assessed or reviewed under Articles 2, 9.3, 9.5, and 11 of the Anti-Dumping Agreement regardless of the comparison bases under Article 2.4.2 of the Anti-Dumping Agreement, all individual margins, whether positive or negative, shall be counted while calculating the dumping margin.

AD13: DE-MINIMIS STANDARD APPLICABLE TO REVIEW

(KR) Article X.15

1. Any measure subject to a review pursuant to Article 11 of the Anti-Dumping Agreement shall be terminated where it is determined that the likely recurring dumping margin is less than the de-minimis threshold set out in Article X.8 of the Anti-Dumping Agreement..

2. When determining individual margin pursuant to Article 9.5 of the Anti-Dumping Agreement, no duty shall be imposed on exporters or producers in the exporting Party for which it is determined, on the basis of representative export sales, that the dumping margin is less than the de-minimis threshold set out in Article X.8 of the Anti-Dumping Agreement.

AD14: COMMITTEE ON TRADE REMEDIES

(KR) Article X.16

1. The Parties hereby establish a Committee on Trade Remedies, comprising representatives at an appropriate level from relevant agencies of each Party who have responsibility for trade remedies matters, including antidumping, subsidies and countervailing measures, and safeguards issues.

2. The functions of the Committee shall be to:

- (a) enhance a Party's knowledge and understanding of [the other party]'s trade remedy laws, policies and practices;
- (b) oversee the implementation of this Chapter;
- (c) improve cooperation between the Parties' authorities having responsibility for matters on trade remedies;
- (d) provide a forum for the Parties to exchange information on issues relating to anti-dumping, subsidies and countervailing measures and safeguards;
- (e) provide a forum for the Parties to discuss other relevant topics of mutual interest including:
 - (i) international issues relating to trade remedies, including issues relating to the WTO Doha Round Rules negotiations;
 - (ii) practices by the Parties' competent authorities in anti-dumping, and countervailing duty investigations such as the application of "facts available" and verification procedures; and
 - (iii) practices of a Party that may constitute industrial subsidies.
- (f) cooperate on any other matters that the Parties agree as necessary; and
- (g) Establish and oversee, for officials of both Parties, development of educational programs related to the administration of trade remedy laws.

3. The Committee shall meet at least once a year and may meet more frequently as the Parties may agree.