

Signed at Beijing September 30, 1992  
Entered into force October 30, 1992

**Trade Agreement between the Government of the Republic of Korea and the Government  
of the People ' s Republic of China**

The Government of the Republic of Korea and the Government of the People's Republic of China (hereinafter referred to as "the Contracting Parties"),

Desirous of further promoting the trade relations and economic cooperation between the two countries on the basis of equality and mutual benefit,

Have, through friendly consultations, agreed as follows:

**ARTICLE ONE**

The Contracting Parties shall take all appropriate measures to promote the development of trade relations between the Republic of Korea and the People's Republic of China in accordance with this Agreement as well as the laws and regulations in force in each country.

**ARTICLE TWO**

1. The most-favored-nation treatment shall be accorded to each other in the matters relating to the import and export, particularly, with respect to:

- (a) Customs duties, domestic taxes and charges of all kinds applied to the import and export of products and methods for collection of such duties, taxes and charges as well as procedures and customs regulations related to the import and export;
- (b) Payments for imports and exports, and the international transfer of such payments.

2. Paragraph 1 of this Article shall not apply to the preferences and advantages which either Contracting Party grants or may grant to its neighboring countries to facilitate border trade.

**ARTICLE THREE**

The following goods shall, in accordance with the respective laws and regulations of either country, be exempted from customs duties, domestic taxes and other charges upon their import from and export to the other country:

- (a) samples and advertising materials of no commercial value;
- (b) goods and its materials brought in for processing and repairing, provided that such goods and its materials are re-exported;
- (c) articles for experiments and tests;
- (d) goods to be displayed at fairs and exhibitions, provided that such goods are re-exported;

- (e) specialized containers and packages of the type used in international trade, provided that such containers and packages are re-exported;
- (f) specialized tools and equipment, which are not available locally, for use in the construction of plants and other industrial installation imported by enterprises of the other country undertaking construction, provided that such tools and equipment are re-exported within a specified period of time.

#### **ARTICLE FOUR**

The most-favored-nation treatment shall be accorded to each other to the transit of goods of the other country, which originate from the territory of the other country and are destined to a third country, in the matters relating to customs duties, domestic taxes and charges of all kinds as well as rules, regulations and formalities in connection with such transit.

#### **ARTICLE FIVE**

All payments relating to the trade between the two countries shall be made in freely convertible currencies in accordance with the foreign exchange laws and regulations in each country.

#### **ARTICLE SIX**

1. The Contracting Parties shall encourage the adoption of friendly consultations for the settlement of disputes arising from commercial transactions between the juridical persons, between the natural persons and between the juridical and natural persons of the two countries.
2. If such disputes can not be settled through friendly consultations, the persons to the disputes may have recourse to arbitration for settlement in accordance with provisions specified in their contracts or other agreements related to the contracts.
3. The Contracting Parties shall take all available measures to encourage the persons to the disputes to conduct arbitration through the arbitration institutions of the two countries.
4. The Contracting Parties shall ensure that arbitration awards are enforced where enforcement is sought, in accordance with applicable domestic laws and regulations.

#### **ARTICLE SEVEN**

The Contracting Parties shall encourage and facilitate the holding of trade exhibitions in the other country. Participating in and holding such exhibitions shall comply with the relevant local regulations and conditions.

#### **ARTICLE EIGHT**

In the spirit of cooperation and mutual understanding, representatives of the Contracting Parties shall meet once a year alternately in Seoul and Beijing to discuss issues related to the expansion of bilateral trade and solve problems arising from the implementation of this Agreement.

#### **ARTICLE NINE**

The Trade Agreement between the Korea Trade Promotion Corporation and the China Chamber of International Commerce signed on 31 December 1991 shall cease to be effective upon the entry into force of the present Agreement.

#### **ARTICLE TEN**

This Agreement shall come into force on the date on which the Contracting Parties exchange notifications that its domestic legal procedures have been completed after the signing, and shall remain in force for a period of three years. It shall be automatically extended for successive period of one year unless either Contracting Party notifies the other in writing of its intention to terminate or amend this Agreement at least three months prior to the expiry of this Agreement.

IN WITNESS WHEREOF, the undersigned, duly authorised by their respective Governments, have signed this Agreement.

Done in Beijing on 30 September 1992, in two originals in the Korean, Chinese and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF  
THE REPUBLIC OF KOREA

FOR THE GOVERNMENT OF THE  
PEOPLE'S REPUBLIC OF CHINA