AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA ON SEA-LAND INTERMODAL FREIGHT VEHICLE TRANSPORTATION

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

Recognizing that sea-land intermodal freight vehicle transportation is an important transport mode to meet the increasing demand of trade between the two countries,

Desiring to enhance logistics efficiency and transportation facilitation and to promote the development of the economies of and trade between the two countries, and

Based on the principles of reciprocity and mutual benefit,

Have agreed as follows:

Article 1 Definitions

For the purpose of this Agreement:

- a) "Sea-land intermodal freight vehicle transportation" means transportation by freight vehicles of the two countries between the ports, zones or along transportation routes agreed upon by the Parties after being shipped by vessels.
- b) "Sea-land intermodal freight vehicle transportation" includes methods such as trailer chassis transportation and tractor trailer transportation and so forth.

Article 2 Phased-in Implementation

- 1. Sea-land intermodal freight vehicle transportation shall be implemented on a phased-in basis. Trailer chassis transportation without a tractor shall be in the first phase, and trailer chassis transportation with a tractor shall be in the second.
- 2. Specific implementing arrangements for each phase will be set out in the protocols to this Agreement.
- 3. The first phase shall be implemented after this Agreement and its protocol enter into force. Based on the result of the first phase, the Parties shall endeavor to move to the second phase.

Operation Permit

- 1. The Parties shall mutually allow transportation vehicles of the other country that satisfy the requirements of this Agreement and its protocols to undertake sea-land intermodal freight vehicle transportation under this Agreement.
- 2. Ports, zones or transportation routes and the number of transportation permits subject to this Agreement shall be set out by the Parties in the protocols to this Agreement.

Article 4 Implementation Method

Sea-land intermodal freight vehicle transportation shall be implemented through the Korea-China sea-land intermodal freight vehicle transportation permit system, and the specifics shall be set out in the protocols to this Agreement.

Article 5 International Distinguishing Signs and Safety Standards

- 1. Transportation vehicles of the two countries shall use their respective international transportation distinguishing signs. The distinguishing sign for each country is as follows:
 - a) for the Republic of Korea: ROK;
 - b) for the People's Republic of China: CHN.
- 2. The Parties shall mutually recognize the vehicle registration numbers issued by the vehicle authorities of the other Party.
- 3. When transportation vehicles of one country enter the territory of the other Party, they must satisfy the vehicle safety standards, technical standards and environmental standards, including those relating to fuel and exhaust gases, of the other Party.
- 4. Transportation vehicles of the two countries shall carry the vehicle registration number plates, vehicle registration certificates, safety inspection signs and documents of their own countries, accompanied by a translation of the registration certificates into the language of the other country.

Article 6 Exchange of Information

The Parties shall exchange information on the vehicles approved for operation under this Agreement and other relevant matters.

Article 7 Limitation on Operation

- 1. Transportation companies and their vehicles of one country may not undertake transportation activities of which the origin and the destination are both within the territory of the other Party.
- 2. Transportation companies and their vehicles of one country cannot undertake transit transportation to a third country by passing through the territory of the other Party without the permission of the relevant administrative bodies of the other Party.

Article 8 Insurance

Transportation companies of both countries shall follow the principle of reciprocity in purchasing insurance policies for their transportation vehicles that enter the territory of the other Party. However, if certain insurance is compulsory under the laws and regulations of either Party, such requirements shall be met.

Article 9 Tax Guarantee

The transportation companies of one country shall provide the customs authorities of the other Party with the tax guarantee required under the laws and regulations of the other Party.

Article 10 Compliance with Laws, Regulations, Rules and Provisions

- 1. Transportation vehicles of one country entering the territory of the other Party shall comply with the provisions of this Agreement and its protocols. For issues not provided for in this Agreement or its protocols, the international treaties to which the Parties are both parties shall apply. For issues not provided for in those international treaties, the laws, regulations, rules and provisions of the other Party shall apply.
- 2. Transportation vehicles of one country and the cargo carried therein shall go through the necessary procedures according to the laws, regulations, rules and provisions of the other Party, and accept supervision and administration by the relevant authorities of the other Party.

Article 11 Maritime Agreement

Shipping issues arising from sea-land intermodal freight vehicle transportation are subject to the Agreement on Maritime Transport between the Government of the Republic of Korea and the Government of the People's Republic of China signed on May 27, 1993.

Construction of Relevant Facilities

- 1. The Parties shall make efforts to facilitate sea-land intermodal freight vehicle transportation by improving infrastructure in the ports and zones and transportation routes within their own territories.
- 2. The Parties shall endeavor to promote informatization in their territories to facilitate the development of sea-land intermodal freight vehicle transportation.

Article 13 Competent Authorities and Administrative Agencies

- 1. The competent authorities of the Parties responsible for implementing this Agreement and its protocols are:
 - a) for the Republic of Korea: the Ministry of Land, Transport and Maritime Affairs
 - b) for the People's Republic of China: the Ministry of Transport.
- 2. The competent authorities of the Parties shall each set up or designate an administrative agency to administrate the sea-land intermodal freight vehicle transportation under this Agreement and its protocols.

Article 14 Cooperation Committee

- 1. The competent authorities of the Parties shall establish a cooperation committee on sea-land intermodal freight vehicle transportation (hereinafter referred to as "the Cooperation Committee") when this Agreement enters into force.
- 2. The Cooperation Committee shall hold meetings in the two countries alternately on a regular basis or at the request of either Party when necessary, to assess the implementation of this Agreement and its protocols, and resolve any problems arising from the implementation thereof.

Article 15 Consultation

Any disputes arising from the interpretation or application of this Agreement or its protocols shall be resolved by the Parties through friendly consultations.

Article 16 Amendments

This Agreement may be amended with written agreement of both Parties.

Article 17
Termination

Either Party may terminate this Agreement by giving written notice to the other Party. Such termination shall take effects one year after the date of the receipt of the notice by the other Party.

Article 18 Entry into Force

The Parties shall notify each other in writing through diplomatic channels of the completion of their domestic legal procedures required to bring this Agreement into force. This Agreement shall enter into force 30 days after the date of the second notification.

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

Done at Weihai, on this 7th day of September 2010, in duplicate in the Korean, Chinese and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF
THE REPUBLIC OF KOREA

FOR THE GOVERNMENT OF
THE PEOPLE'S REPUBLIC OF CHINA