

Signed at Seoul June 2, 1950 and
at Tokyo June 6, 1950
Entered into force April 1, 1950
Agreed to the continued application of
the Agreement by Exchange of Notes in 1952

Trade Agreement between the Republic of Korea and Occupied Japan

Article 1

The Representatives of the Government of the Republic of Korea, (hereinafter referred to as Korea) consisting one of the two parties to this Agreement, having discussed with the Representatives of the Supreme Commander for the Allied Powers, acting in respect of Occupied Japan (hereinafter referred to as Japan) constituting the other party, the measures which might usefully be adopted with the intention both of expanding trade between Korea and Japan, and of maintaining it at the highest volume practicable, have agreed to conduct trade on the following basis:

1. A trade plan will be adopted, for an annual period, extending to all transactions relating to the purchase and sale of goods and services as stated therein.
2. All trade except as otherwise provided, shall be conducted in accordance with the terms and provisions of the Financial Agreement for Trade between Korea and Japan, to be executed simultaneously herewith.
3. Trade may be carried on through both governmental and private channels.
4. Korea agrees to permit the importation from and exportation to Japan, and Japan agrees to permit the importation from and exportation to Korea at least up to the amounts of the commodities within the scope of the trade plan. Both parties shall allocate or authorize foreign exchange or foreign exchange credits in accordance with the estimates of the trade plan; it being understood that the trade plan adopted is not restrictive and may be enlarged or amended by mutual agreement at any time.
5. The trade plan, without being restrictive in any way, represents in the light of the best information available at the present time to the two parties to this Agreement, the volume of trade which is expected to flow between Korea and Japan for the duration of such trade plan and the character it is most likely to assume.
The trade plan is not intended to constitute a commitment binding on either party, that trade will in fact attain the proportions or assume the character indicated therein; rather does it represent a reasonable computation made in good faith of the volume of sales and purchases likely to result from the desire of the two parties to this Agreement to develop trade between them to the highest practicable.
Subject to these considerations, both parties will facilitate in every way the sale and purchase of goods and services as stated in the trade plan.
6. Should there be reason for either party to this Agreement to believe, at any stage, that the volume and character of sales and purchases contemplated in the trade plan are not likely to materialize for any reason including changes in existing laws or regulations,

the parties concerned will consult together to ensure that any modification of the trade plan that may be found necessary protects those interests to which either party attaches special importance.

7. Special machinery will be established, in common accord, to ensure that accurate and up-to-date information will be available to both parties in respect of the operation of this Agreement and to ensure the implementation of the trade plan generally.

8. Each party hereto will do everything feasible to ensure compliance with the export-import controls, exchange controls and such other controls that pertain to international trade as may be in force and effect from time to time in the areas under the control of the other.

9. The merchandise trade envisaged by the trade plan will be conducted in accordance with the principles of the General Agreement on Tariffs and Trade which was signed at Geneva, Switzerland, 30 October 1947, as amended.

10. In order to facilitate trade among Korea, Japan and third countries, the parties to this Agreement will consult, as circumstances may require, with respect to the possibility of developing trade on a multilateral basis.

Article 2

This Agreement may be revised by mutual consent of the parties or cancelled upon request of the Government of the Republic of Korea or the Supreme Commander for the Allied Powers, or his successor, upon ninety (90) days' notice in writing. This Agreement shall terminate, unless the parties hereto stipulate in writing to the contrary, on the proclamation of a peace treaty between the Allied Powers, or any of them, and Japan, or on the proclamation of a treaty of amity and commerce between Korea and Japan. Any revision, cancellation or termination of this Agreement shall be without prejudice to any right or obligation accruing or incurred hereunder prior to the effective date of such revision, cancellation or termination.

Article 3

The trading position between Korea and Japan shall be reviewed generally by the parties to this Agreement from time to time as requested by either party.

Article 4

This Agreement shall be effective as of 1 April 1950 when executed by the two signatories.

Executed in duplicate on the 2nd day of June, 1950.

FOR THE REPUBLIC OF KOREA:

Lincoln Kim
Minister,
Ministry of Commerce and Industry

FOR THE SUPREME COMMANDER FOR THE ALLIED POWERS
ACTING IN RESPECT OF OCCUPIED JAPAN:

A. J. Rehe
Major A. G. D.
Ass ' t Adj. Gen.

Tokyo, April 28, 1952

Excellency:

Having in view the desirability to continue cordial trade relations between the Republic of Korea and Japan after the first coming into force of the Peace Treaty with Japan, signed at San Francisco on September 8, 1951, I have the honor to inform Your Excellency that, with regard to the trade between the Republic of Korea and Japan as from the date of the first coming into force of the said treaty, the Government of the Republic of Korea will apply in practice the terms and provisions mutatis mutandis of the documents annexed hereto, until the effective date of a new agreement or agreements on trade between the Republic of Korea and Japan.

I avail myself of this opportunity to renew to Your Excellency, Monsieur le Ministre, the assurance of my highest consideration.

Yong Shik Kim

Minister

Chief of the Korean Diplomatic

Mission in Japan

His Excellency
Shigeru Yoshida,
Minister of Foreign Affairs
Tokyo

ANNEX

1. Financial Agreement for Trade between the Republic of Korea and Occupied Japan, dated 2 June 1950.
2. Trade Agreement between the Republic of Korea and Occupied Japan, dated 2 June 1950.
3. Korea-Occupied Japan Trade Plan, 1 April 1951 - 31 March 1952, dated 23 April 1951.
4. Memorandum: Interpretation of Trade and Financial Agreements between the Republic of Korea and Occupied Japan, signed for the Republic of Korea on 2 June 1950 and Occupied Japan on 8 June 1950.
5. Memorandum: Interchange of Certain Commodities between Korea and Occupied Japan, signed for the Republic of Korea on 2 June 1950 and Occupied Japan on 8 June 1950.
6. Memorandum: Interpretation of terms "Service" as employed in the Trade and Financial Agreements between the Republic of Korea and Occupied Japan, signed for the Republic of Korea and Occupied Japan on 18 June 1951.
7. Note from the Korean Diplomatic Mission in Japan to the Japanese Ministry of Foreign Affairs, dated March 11, 1952, concerning "Adjustment of Estimates."
8. Note from the Japanese Ministry of Foreign Affairs to the Korean Diplomatic Mission in Japan, dated March 22, 1952: subject same as above.
9. Memorandum for the Chief of the Korean Diplomatic Mission in Japan from the Chief, E.S.S., SCAP, dated March 27, 1952: subject "Korea-Occupied Japan Trade Plan."
10. Memorandum for the Chief, E.S.S., SCAP, from the Chief of the Korean Diplomatic Mission in Japan dated March 27, 1952: subject same as above.

Tokyo, April 28, 1952

Monsieur le Ministre,

Having in view the desirability to continue cordial trade relations between Japan and the Republic of Korea after the first coming into force of the Peace Treaty with Japan, signed at San Francisco on September 8, 1951, I have the honor to inform Your Excellency that, with regard to the trade between Japan and the Republic of Korea as from the date of the first coming into force of the said treaty, the Government of Japan

will apply in practice the terms and provisions mutatis mutandis of the documents annexed hereto, until the effective date of a new agreement or agreements on trade between Japan and the Republic of Korea.

I avail myself of this opportunity to renew to Your Excellency, Monsieur le Ministre, the assurance of my high consideration.

For the Minister:

S. Iguchi

Vice-Minister

for Foreign Affairs of Japan

His Excellency

Mr. Yong Shik Kim,
Chief of the Korean Diplomatic Mission
in Japan, Tokyo.

**REPUBLIC OF KOREA
KOREAN DIPLOMATIC MISSION IN JAPAN**

Tokyo, April 28, 1952

My Dear Director:

With reference to the letter from the Chief of the Korean Diplomatic Mission in Japan to the Minister of Foreign Affairs of Japan dated April 28, 1952, I wish to inform you that it is my understanding that the words "the terms and provisions mutatis mutandis of the documents annexed hereto" shall be construed as follows:

1. "The Supreme Commander for the Allied Powers," "the Supreme Commander for the Allied Powers acting in respect of Occupied Japan," "the Supreme Commander for the Allied Powers, or his successor" and "General Headquarters, Supreme Commander for the Allied Powers" shall read "the Government of Japan."
2. "Occupied Japan shall read "Japan."
3. "The Bank is designated as agent for the Supreme Commander for the Allied Power acting in respect of Occupied Japan" shall read "the Bank is designated as agent of the Foreign Exchange Control Board of the Government of Japan."
4. Article 2 of the Trade Agreement and Article 7 of the Financial Agreement shall read as follows:
"This Agreement may be revised by mutual consent of the parties or may he cancelled

upon request of the Government of the Republic of Korea, or of the Government of Japan, upon ninety (90) days' notice in writing. Any revision or cancellation of this Agreement shall be without prejudice to any right or obligation accruing or incurred prior to the effective date of such revision or cancellation.

5. In case of uncertainty as to the modification of any other words, it shall be decided by mutual agreement of both parties.

Yours very sincerely,

Tai Ha Yiu

Counselor

Korean Diplomatic Mission

in Japan

Mr. Morio Yukawa,
Director of the Bureau of Economic Affairs,
Ministry of Foreign Affairs,
Tokyo

Tokyo, April 28, 1952

My Dear Counsellor,

With reference to the letter from the Minister for Foreign Affairs of Japan to the Chief of the Korean Diplomatic Mission in Japan, dated April 28, 1952, I wish to inform you that it is my understanding that the words "the terms and provisions mutatis mutandis of the documents annexed hereto" shall be construed as follows:

1. "The Supreme Commander for the Allied Powers", "the Supreme commander for the Allied Powers acting in respect of Occupied Japan," "the Supreme Commander for the Allied Powers, or his successor and "General Headquarters, Supreme Commander for the Allied Powers" shall read "the Government of Japan."
2. "Occupied Japan" shall read "Japan."
3. "The Bank is designated as agent for the Supreme Commander for the Allied Powers acting in respect of Occupied Japan" shall read "the Bank is designated as agent of the Foreign Exchange Control Board of the Government of Japan."

4. Article 2 of the Trade Agreement and Article 7 of the Financial Agreement shall read as follows:

“This Agreement may be revised by mutual consent of the parties or may be cancelled upon request of the Government of Japan or of the Government of the Republic of Korea, upon ninety (90) days' notice in writing. Any revision or cancellation of this Agreement shall be without prejudice to any right or obligation accruing or incurred prior to the effective date of such revision or cancellation.”

5. In case of uncertainty as to the modification of any other words, it shall be decided by mutual agreement of both parties.

Yours very sincerely,

/s/ M. Yukawa

Director

of the Bureau of Economic Affairs

Ministry of Foreign Affairs

Mr. Tai Ha Yiu
Counselor Korean Diplomatic Mission
in Japan