

2015/SOM2/CTI/TPD/003

Session 1

## WTO Plus Elements of Korea-Australia Free Trade Agreement

Submitted by: Korea



Trade Policy Dialogue on WTO-Plus Aspects of Recently Concluded Regional Trade Agreements and Free Trade Agreements Boracay, Philippines 14 May 2015

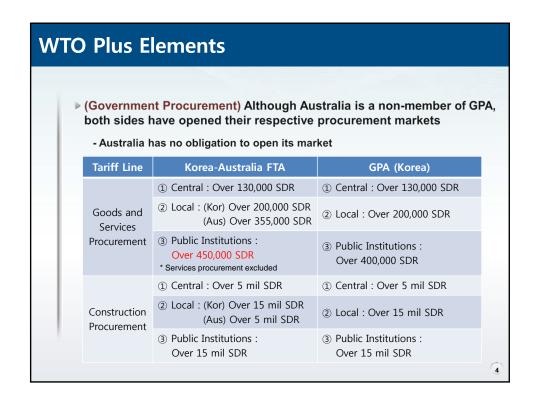


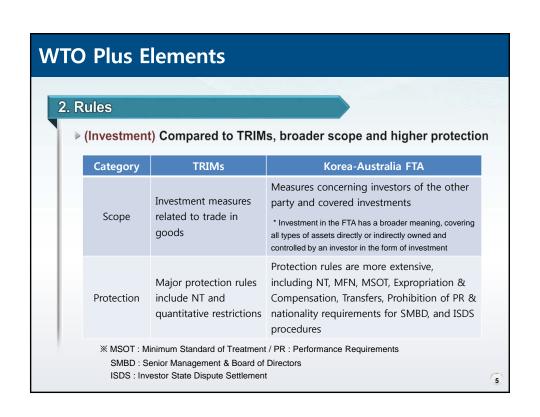
# History Announced Official Initiation of Negotiations on Mar 5<sup>th</sup>, 2009 After 5 rounds, negotiations suspended in May 2010, resumed Nov 2013 After 2 more rounds (total 7), concluded Dec 4<sup>th</sup>, 2013 Signed Apr 8<sup>th</sup>, 2014; gone into effect Dec 12<sup>th</sup>, 2014 Status Korea's 10<sup>th</sup> FTA, Australia's 8<sup>th</sup> FTA Australia: Korea's 6<sup>th</sup> largest trade partner Korea: Australia's 4<sup>th</sup> largest trade partner, 3<sup>rd</sup> in Asia

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## Overview Complementary Trade Structure Norea's Main Exports Autos, Petrochemicals, Electronics, etc. Australia's Main Exports Raw Materials, Natural Resources, Dairy Products, etc. Ideal FTA Partner Due to trade structure, potential for trade expansion is great Increase in trade & investment, job creation is highly expected

### **WTO Plus Elements** 1. Market Access ▶ (Goods) Most traded goods duty free within 10 years after entry into force - Improved conditions for market access compared to WTO levels **Tariff Line** Korea Australia 11,881 (10 digits) 6,186 (8 digits) Total MFN 0% 1,932 2,945 Remove 7,008 (70.4%) 2,680 (82.7%) Products immediately 9,949 3,241 with tariffs Remove within 9,269 (93.2%) 3,241 (100%) 10 years $\ensuremath{\mathbb{X}}$ Import value based : (Korea) 94.6%, (Australia) 100% (Services) Compared to GATS, market access is improved in such areas as ▲ research & development, ▲ market research & public opinion polling, ▲ mining & related services, ▲ packaging, ▲ tourism 3





### **WTO Plus Elements**

- (Intellectual Property) Protection rules generally ensuring higher level of protection than that of TRIPs
  - (Trademark) Collective marks and certification marks are included, and non-visual marks such as sound and scent also protected
  - (Copyright) Comprehensive rights of copyright holders such as temporary reproduction are also recognized, and the term of protection for copyrights extended to 70 years (TRIPs: 50 years)
  - (Patent) Grace period set to 12 months
  - (Enforcement) Enforcement against IP violations is reinforced, including the seizure of any documentary evidence relevant to the offense and any assets traceable to the infringing activity, and special measures against repetitive copyright infringers on the Internet

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### **WTO Plus Elements**

- ▶ (Other) The FTA includes Competition, E-Commerce, Labor and Environment rules not stipulated in the WTO
  - (Competition) Introduced provisions to enhance competition, economic efficiency and consumer welfare
  - (E-commerce) Stipulated regulations to advance the development of e-commerce and protect online consumers  $\,$
  - (Labor) Set out basic labor rights which both countries should comply and ensure that neither party should promote trade and investment in a manner that would lower the level of labor protection
  - (Environment) Recognized the right of each party to establish its own law and regulations as well as set up a level of environment protection which both countries should abide by

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