
Committee on Regional Trade Agreements

FACTUAL PRESENTATION

**Free Trade Agreement
between
the Republic of Korea and Singapore
(Goods and Services)**

Report by the Secretariat

This report, prepared for the consideration of the Free Trade Agreement between the Republic of Korea and Singapore has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671).

Any technical questions arising from this report may be addressed to Ms Juneyoung Lee (tel: +41 22 739 67 91).

G. GOVERNMENT PROCUREMENT

109. Chapter 16 on government procurement consists of nine Articles and two related Annexes. The Parties reaffirm their rights and obligations under the WTO Agreement on Government Procurement (GPA) (Article 16.1.1). The Agreement's procurement procedures are applied in accordance with GPA Articles II-IV, VI-XV, XVI:1, XVIII, XIX:1-4, XX, XXIII; Notes; and Appendices II-IV (Article 16.3). In the case of amendment of the GPA or its supersession by another agreement, the Chapter may be amended as appropriate after consultations (Article 16.3.4). For government procurement that is not covered by the GPA and the Agreement, the Parties will endeavour to apply the APEC Non-Binding Principles on Government Procurement (Article 16.1.4).

110. Covered government procurement means procurement: i) by an entity listed in Appendix 16A.1; ii) of goods or services or any combination of those specified in Appendix 16A.2; and iii) whose contract has a value not less than the relevant thresholds set out in Annex 16A. For central government entities, the thresholds for procurement of construction services are the same as those under the GPA, whereas the thresholds for procurement of goods and services have been decreased to SDR 100,000 compared to SDR 130,000 under the GPA. For sub-central government entities, Korea maintains the same thresholds as those under the GPA for goods and services (Singapore does not have sub-central government entities). With respect to all other entities, the thresholds applied by the Parties for goods are SDR 400,000 (which is lower for Korea than its GPA threshold of SDR 450,000); there is no change for either Party on services and construction services.²² The thresholds for procurement of construction services by sub-central government and other entities, and services by other entities, are interim as stated in Annex 16A. The Parties are currently discussing this issue of interim application.

111. The Chapter does not cover non-contractual agreements or any form of governmental assistance, including cooperative agreements, grants, loans, equity infusions, guarantees, fiscal incentives, and governmental provision of goods and services to persons or governmental authorities not specifically covered by the Chapter. The Chapter also does not affect rights and obligations under Chapters 3 (National Treatment and Market Access for Goods), 9 (Cross-Border Trade in Services), 10 (Investment), 11 (Telecommunications) and 12 (Financial Services).

112. Apart from purely formal or minor amendments, rectifications or other modifications to its Appendices to Annex 16A and any changes to listed government entities, when a Party proposes to make a modification it shall notify the other Party and provide appropriate compensatory adjustments to maintain coverage comparable to that existing prior to the modification (Article 16.7.3). The International Contract Dispute Mediation Committee and the Government Procurement Tribunal have been designated, respectively, for Korea and Singapore, as their dispute settlement bodies on government procurement (Appendix 16B.2).

H. INTELLECTUAL PROPERTY RIGHTS

113. The Parties reaffirm their obligations under the WTO TRIPS Agreement and subject to consistency with the TRIPS Agreement, provide for the enforcement of intellectual property rights in their respective laws (Articles 17.3 and 17.4). The Parties may implement more extensive protection of intellectual property rights than required by the Agreement, as long as such protection is consistent with the Agreement and the TRIPS Agreement (Article 17.4). Protection for plant varieties is one of the areas where the Parties endeavour to enhance their cooperation (Article 17.5). Singapore has designated the Korean Intellectual Property Office as a prescribed patent office under its laws to facilitate processing of a patent applications in Singapore that correspond to patent applications in

²² The GPA thresholds are contained in document WT/Let/543 (23 May 2006) for Korea and WT/Let/429 (11 August 2002) for Singapore.