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orea Record Of Understanding On Telecommunications--2/15/90

SUMMARY RECORD OF UNDERSTANDING UNITED STATES-REPUBLIC OF OREA TELECOMMUNICATIONS
CONSULTATIONS (FEBRUARY 15, 1990)

The United States and oreaan governments affirm that the attached documents, enumerated below, serve as a record of deliberations on market access for telecommunications services and equipment between the two governments. The purpose is to assure mutually advantageous market opportunities in both markets.

1. Understanding Between the United States and the Republic of orea on Liberalization of Telecommunications Services
2. Understanding Between the United States and the Republic of orea on Government Procurement
3. Understanding Between the United States and the Republic of orek on Telecommunications Standards
4. Understanding Between the United States and the Republic of orea on Telecommunications Equipment Tariff Reductions

ATTACHMENT 1

UNDERSTANDING BETWEEN THE UNITED STATES AND THE REPUBLIC OF OREA
ON LIBERALIZATION OF TELECOMMUNICATIONS SERVICES

February 15, 1990

I. PRINCIPLES:

The oreaan government confirms that the following principles will apply by the date indicated to services permitted under existing law and will apply to any additional services liberalized hereafter:

1. No forced interconnection with public networks (July 1, 1990)
2. No prohibition against connection to public, switched networks for dial-up access in connection with services permissible under existing law (July 1, 1990)
3. Guaranteed right to use proprietary protocols (July 1, 1990)
4. Removal of registration requirements for simple database and data-processing services (July 1, 1990)
5. No common-carrier-like obligations (July 1, 1990), for example:

No requirement to serve a particular customer;

No requirement to interconnect with another network

6. No requirement for any ownership or business relationship for shared use of [domestic] leased lines (July 1, 1990) (and of international leased lines (July 1, 1991))

7. Allowance of shared use of [domestic] leased lines (July 1, 1990) [and of international leased lines (July 1, 1991)] for uses other than telecommunications business upon notification to the Ministry of business upon notifications to the Ministry of Communications (MOC). K

II. IMMEDIATE COMMITMENTS:

The Korea ^{me}o ery ^{me}co s o u der ake he followi ^{mme}i dia e addi io al liberaliza io ^{me}asures u der exis i ad ^{mi}is ra i e discre io .

Re ^{mo}al of i es ^{me}/ma a e ^{me}co rol res ric io s for si ^{mp}le da a base a d da a processi , as of Jul 1, 1990

[all ser ices per ^{mi}ssible u der he Jul 1989 ^{me}asures] [a d for a addi io al ser ice liberalized u der exis i law].

[Co ^{mmi}o allow i er a io al (cross-border) ser ices b Ja uar 1, 1992, wi h o require ^{me}o process i for ^{ma}io i Korea.]

Allowa ce b Jul 1, 1990, of a ach ^{me}or packe swi ches or use i pro idi packe swi chi which i cludes, for exa ^{mp}le, EDI, ^{me}ssa e ha dli ser ices, code a d pro ocol processi , or elec ro ic ^{ma}il.

The require ^{me}for MOC appro al or ^{mu}l iplexers wi h capaci es hi her ha 64 Kbps should be re ^{mo}ed b Jul 1, 1990. [A ach ^{me}or ^{mu}l iplexers wi h a capaci or ^{mo}re ha 2.048 Mbps should be per ^{mi}ed or use i pro isio of ser ices per ^{mi}ssible u der Jul 1989 ^{me}asures a d addi io al ser ices allowed u der exis i law.]

Desi a io of:

1) The Direc or of he Da a Co ica io s Di isio of he Mi is r of Co ica io s as he si le co ac poi i he MOC for i for ^{ma}io re ardi applica io s o pro ide ew ser ices; a d

2) cri eria for ra i a applica io for a ew ser ice.

III. FUTURE CONSULTATIONS: ^{mu}

Bo h o er ^{me}s a ree o he followi fra ^{me}work for fu ure co sul a io s o eleco ica io s liberaliza io :

Bo h o er ^{me}s suppor he Uru ua Rou d a d i e d o pla a posi i e, co s ruc i e role i es ablishi a world fra ^{me}work for liberal eleco ica io s rade i ser ices.

Bo h o er ^{me}s a ree o resu ^{me}bila eral discussio s if co era e of eleco ica io s ser ices i he Uru ua Rou d is i suffice or if a a ree ^{me}o eleco ica io s ser ices is o reached i he Uru ua Rou d b he e d of 1990. ^{mu}

Bo h o er ^{me}s a ree o ^{me}e o discuss eleco ica io s ser ices issues of i eres o ei her par for o e addi io al ear. A he e d of ha i ^{me}, bo h par ies will assess he eed o co i ue bila eral discussio s.

ATTACHMENT 2

UNDERSTANDING ^{mu}

BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA

ON GOVERNMENT PROCUREMENT

Februar 15, 1990

The Republic of Korea a d he U i ed S a es a ree o he followi pro isio s. A ree ^{me}o hese pro isio s co s i u es subs a ial pro ress oward liberaliza io of Korea's o er ^{me}procure ^{me}marke for eleco ica io s.

I. Pri ciples co cer i Korea Teleco ica io s Procure

If a ree ^{me}is reached o co era e, procedures, i , he rela io ship be wee his a ree ^{me}a d he GATT Go er ^{me}Procure ^{me}Code, a d defi i io s, Korea a d he U i ed S a es a ree o he followi pri ciples o he basis of reciproci :

A. Korea will be i ^{mp}le ^{me}i o -discri ^{mi}a or procure ^{me}procedures o pro ide U.S. produc s, i cide al ser ices, a d suppliers a equal oppor u i o co ^{mp}e e for Korea eleco ica io s co rac s for oods a d y

telecommunication contract for good and incidental service shall be awarded without giving preference to domestic supplier, good or incidental service

This means that for telecommunication contract for good and incidental service Korea will no longer consider whether an identified procurement need may be satisfied by a domestic source before opening the procurement to foreign competition. A donor also needs to identify and decide on the mode of procurement, U.S. and Korean supplier, good, and incidental service will be treated the same regardless of the origin of the supplier, product, and incidental service. Any information given to one supplier must be given at the same time to all suppliers participating in the tendering process, including the procurement planning process and the adoption process.

B. In the qualification of potential suppliers, product or incidental service, evaluation of bid, and award of contract, coordinated Korean entities and their personnel shall not, either explicitly or implicitly, impose, seek or consider offset, including localization, local content, licensing of technology, technology transfer, investment or similar condition.

C. Korea will be establishing procedures for the handling and reviewing of complaints arising in connection with any phase of the telecommunication procurement process, so as to ensure that, to the greatest extent possible, disputes will be equitably and expeditiously resolved between the supplier and the entity concerned. These procedures will include all the provisions listed under the "Complaint Procedure" section in the U.S. proposed procurement annex of September 9, 1989 (Attachment B).

D. Both Government agencies to meet periodically and upon request to review the operation of this agreement.

II. Coverage

Contract awarded by the Korean office of Supply (OSROK), the Ministry of Communication (MOC), and the Korean Telecommunication Authority (KTA) for telecommunication goods (including but not limited to commodity product and network equipment), incidental service, and offset contract to the extent offset contract is coordinated by the GATT Government Procurement Code.

III. Procedure

ROKG officials will use the GATT Government Procurement Code procedures for OSROK and MOC contract, as well as for general commodity contract and incidental service contract awarded by KTA.

For KTA network equipment contract, ROKG officials will use the Procurement Procedures for Telecommunication Network Equipment (Attachment A) and will also fully observe the other elements of the Code.

IV. Timing

Subject to change upon full ROKG accession to the GATT Government Procurement Code and upon the Code expansion to telecommunication procurement, this agreement will be implemented by January 1, 1992, except for KTA network equipment for which the implementation date will be by January 1, 1993.

V. Relationship Between ROKG GATT Code Application and This Agreement

The ROKG will ensure that by January 1, 1992, before Korea formally joins the Code, KTA's procurement of commodity product will follow the principle embodied in the Code.

The ROKG agrees to attempt to complete successfully, on an accelerated count down basis for telecommunication contract coordinated by this understanding, its Code accession negotiation by January 1, 1991. The ROKG agrees to include in its upcoming Code coverage offer to all Korean telecommunication contract (i.e., good, incidental service, and offset to the extent offset is coordinated by the GATT Government Procurement Code), including all telecommunication contract for good and incidental service awarded by MOC, OSROK, and KTA. In respect of any future multilateral decision concerning the terms of Code accession for new members (extended to a prospective international membership), the ROKG will include in its offer immediate and complete coverage upon accession of OSROK, MOC, and KTA for the contract mentioned above.

If ROKG C ssi n n g ti ti ns n th C n g ti ti ns t xp n th C t v r t l mmuni ti ns g s n in i nt l s rvi s ntr ts r su ssful, th pr visi ns f th xp n C gr ment will pply t th ROKG ntr ts n ntiti s r f rr t b v n th impl ment ti n t st blish by th C n g ti ti ns in li u f th g v rnment pr ur ment pr visi ns f this U S - ROKG t l mmuni ti ns gr ment

In th v nt th ROKG's ssi n n g ti ti ns t th C r th C n g ti ti ns h v n t b n mpl t by J nu ry 1, 1991, th ROKG gr st impl ment th pr ur ment pr visi ns f this gr ment n th t gr t in S ti n IV (Timing) b v

In this s , U S n ROKG ffi i ls gr t me t uring th first two months f 1991 t is uss n mpl t ny pr visi ns f this gr ment n t y t pr is ly fin

VI Dēfiniti ns

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ATTACHMENT A TO ATTACHMENT 2

PROCUREMENT PROCEDURES FOR TELECOMMUNICATIONS NETWORK EQUIPMENT

A Publi N ti

(1) Wh n ntr ting ntity t rmin s th t th r is n t pr ur t l mmuni ti ns n twark quipment, it sh ll us th s pr ur s n will mak its int nt t pur h s kn wn thr ugh publi n ti

(2) Su h n ti will nstitut invit ti ns t p rti ip t in h pr ur

(3) Th publi n ti will b publish in th K r n ffi i l g z tt , n will ls b s nt t pr sp tiv suppli rs i ntifi t b int r st in n / r p bl f pr u ing th pr uts r quir r nvis g

(4) Suppli rs r sp n ing t th n ti publish in th ffi i l g z tt will b tr t in mann r n l ss f v r bl th n th s r sp n ing t th N ti s s nt in ivi u lly

(5) Dēp n ing n th typ s f pr ur ment, th timing f pr ur ment n ti will v ry

First, th "n ti f r qu st f r pr p s ls (RFP/n ti)" f r "initi l pr ur ment f n w pr uts" n "th n ti f invit ti n f r p rti ip ti n (Invit ti n/n ti)" f r "pr ur ment by v l pment f n w pr uts" will b . publish in th ffi i l g z tt f r v ry pr ur ment

S n , n ti f th "f ll w-up pr ur ment" will b publish in th ffi i l g z tt n n nnu l b sis with p ssibl iti n l n ti s in th ffi i l g z tt s n ss ry

(6) Th RFP/n ti n Invit ti n/n ti will in lu th f ll wing inf rmati n:

- N tur n qu ntity f th pr ut t b suppli ;

- N ti th t th pur h s will b ma thr ugh pr ur s f "initi l pr ur ment f n w pr uts" n / r "pr ur ment by v l pment f n w pr uts"

- Any liv ry t ;

- Th . r ss s n lin f r submitting n ppli ti n, n th l ngu g in whi h it must b submitt ;

- Any inf rmati n n ss ry f r bt ining pr ur ment ument ti n n th r uments;

- Any n mi n t hni l r quir ment, fin n i l gu r nt s n inf rmati n r quir fr m suppli rs; .

- Written notice to the supplier who qualify under the above procedure will be considered qualified supplier for fill w-up procurement;

- The amount and terms of payment of any unpayable for the procurement document;

- The first three winning applicants will be selected, and the rest more than one supplier in every transaction, the proposed number of suppliers to be selected.

(7. A notice of "fill w-up procurement" will constitute an invitation to participate and will contain the following information:

- Type, category and quantity of the product to be procured (based on the annual project funding plan);

- Any delivery date;

- The address and deadline for submitting applications, and the language in which it must be submitted;

- The designated contact point.

In addition, the following information will be included in the "fill w-up procurement" notice:

- Amount of product by category procured totally in previous year;

- Technical information, including general description of product;

- Any information necessary for obtaining specifications and tender document;

- The amount and terms of payment of any unpayable for the procurement document;

- The first three winning proposals will be selected from suppliers who have completed the qualification process;

- The first three winning proposals will be selected, and the rest more than one supplier in every transaction, the proposed number of suppliers to be selected;

Such information will be published in the above notice, reference will be made in the notice to the information will be published in the procurement guidebook.

(8. In addition, an English summary of RFP/notice and Invitation/notice will be published in the official gazette and will include the following information:

- Subject matter of the procurement;

- Time limit for submission of applications;

- Address from which the enquiry document and further information may be requested.

B. Document

(9. Any supplier responding to the procurement notice will be provided with procurement document in a timely basis.

(10. The procurement document will contain all information necessary to permit applicant to submit a competitive application including:

- The address to which applications should be sent;

- The address where request for supplementary information should be sent;

- The closing date for receipt of applications;

- Any essential technical requirement, financial guarantee and information required from supplier;)

- A complete description of the products, which are of any kind, including technical specification, conformity certification or fulfillment by the products, and any plan, drawing, and instructional material;

- The criteria for the selection and award of the contract of the successful applicant(s), including any factors of the company, such as company, quality control, and ability to supply, have a good record in the valuation of application and the company must be included in the valuation of application price;

- The terms of payment;

- In case of purchase, when the company has the right to use the facilities in the allocation of the total products among the selected suppliers including the minimum lot for each product;

- Any other terms or conditions.

(11) A contracting entity will not comply with any condition required for qualification of the RFP of the products or documents.

(12) Any qualification of the RFP of documents shall be provided immediately to all interested suppliers in a timely fashion for each supplier to consider his information and position.

C. Details

(13) The price for the purchase of application will in no case be higher than the price of the products or documents.

The application price may be used in the case of an emergency to be used by the entity, but, in any case, will not be higher than the price.

D. Selection and Award of Contract of Successful Applicant

(I). SELECTION OF SUCCESSFUL APPLICANTS THROUGH THE "INITIAL PROCUREMENT OF NEW PRODUCTS" AND PROCUREMENT BY DEVELOPMENT OF NEW PRODUCT PROCEDURES.

Selection and award of contract will be accomplished as follows:

(14) In order to be considered for selection, any applicant must:

- conform to the general conditions of the products or documents or documents; and

- be from suppliers which comply with the conditions for participation.

(15) Application will be evaluated in terms of the selection criteria for the products or documents.

(16) The applicant must have the most advantageous in terms of the selection criteria shall be selected and awarded the contract.

(17) If an applicant has no application, or application at the time may be, it is obviously the most advantageous in terms of the selection criteria in the products or documents, a contracting entity will, in the absence of a negotiation, give equal consideration to all suppliers within the competitive range.

(18) The suppliers will be fully selected through the process will be considered a qualified supplier for the follow-up products; and his fact will be specified in the products or documents.

QUALIFICATION AND SELECTION IN THE FOLLOW-UP

(19) A contracting entity will establish and maintain list of qualified suppliers.

(20) Upon receiving an application from any supplier at any time, a contracting entity will promptly initiate the qualification/selection process, and will give equal consideration to all bidders who are interested in the process of qualifying/selection of suppliers.

(30) Upon request by the successful applicants, the contracting entity shall promptly provide those applications with pertinent information concerning the reasons why the applications were not selected, including the relative advantages of the applications selected, as well as the name of the winning applicant.

(31) The contracting entity will provide procedures for the handling of complaints arising in connection with any phase of the procurement to be contractually adopted expeditiously solved. A

TT CHMENT B TO TT CHMENT 2

Compliance Procedures

- The ROKG will maintain a complete written record of each procurement process including a complete record of all matters concerning each contract awarded.

- The ROKG shall maintain bid challenge procedures in accordance with the following principles:

Bid challenge may concern any aspect of the procurement process including the award of the contract awarded.

The procurement body for each entity covered by this agreement shall accord impartial and timely consideration to any complaint of bid challenge by applicants.

The winning authority with substantial interest in the outcome of the procurement shall have responsibility for conducting bid challenge proceedings.

Upon receipt of a bid challenge, the winning authority shall expeditiously proceed to investigate the challenge and may delay the proposed award pending resolution of the bid challenge except in cases of urgency where the delay would be prejudicial to the public interest. The winning authority shall determine the appropriate remedy, which may include valuation of offers, -competing the contract, or terminating the contract.

The winning authority should be authorized to make commendations in writing to the contracting authority's respective officials of the procurement process, including commendations for changes in procedures to be implemented to conform with the obligations of this agreement. The covered entities will normally follow such commendations.

Decisions of the winning authority's respective bid challenge proceedings shall be provided in writing in a timely fashion and made available to the designated contact point of the interested parties.

The ROKG shall specify in writing a date shall make generally available to the interested parties, all bid challenge procedures, including general administrative matters to be decided by the procurement body for each entity with respect to bid challenge procedures,

TT CHMENT 3

UNDERSTANDING BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA

ON TELECOMMUNICATIONS STANDARDS

February 15, 1990

The Governments of Korea (ROKG) and the United States mutually recognize the importance of a stable and open standards setting process for telecommunications in promoting the basis for free trade, mutually beneficial trade relations and other interests.

Both governments agree to meet to discuss telecommunications issues of interest to both parties for the addition of a new technology. At that time, both parties will assess the need to coordinate bilateral discussions. A

1. STANDARDS SETTING AND APPROVAL PROCEDURES

The Government of Korea affirms that the applicable administrative procedures in its participation in the Standardization of Laws and Regulations in a stable and open participation by foreign parties.

cases when the essentiality of a Korean national (and in some cases without such essentiality).

1. By July 1, 1990, the ROK will organize and make available standards and specifications for the development of man-made systems. The standards will be clear, well-defined, and will contain all necessary information. These standards and specifications for the standards will provide for a clear and timely manner of implementation. A well-defined standards process will be established.

2. By July 1, 1990, the ROK will ensure the availability of standards and specifications for the development of national voluntary standards. The standards will be clear, well-defined, and will contain all necessary information. These standards and specifications will provide for a clear and timely manner of implementation.

3. When non-governmental standards and specifications organizations request the ROK to approve their standards as national voluntary standards, the ROK will approve only those standards which comply with the national voluntary standards and specifications process by July 1, 1990.

4. The ROK will, in good faith, attempt to ensure the availability of U.S. standards to a clear and timely manner of implementation.

5. With regard to major information computer networks, the ROK affirms that:

-- Any interested person can propose a standard for the Government Computer Network (GCN) of the Ministry of Government Administration.

-- In the event of a tie will be resolved on a timely basis, normally within 30 days, of items of standards for the Government Administration and amendments existing standards.

-- Ordinances of interested parties, including implementation, use, and other exercises, will be collected through public consultation [until a consensus of reasonable opinions is reached].

-- Approved standards will be notified in the Official Gazette.

The ROK also indicates that the Financial and the Research and Education Computer Networks are likely to follow the approved standards and specifications.

B. MANDATORY STANDARDS AND APPROVAL CRITERIA

1. The ROK agrees to limit criteria for wireless telecommunications equipment man-made systems to the following:

a. Prevention of harmful interference;

b. Prevention of harmful interference to radio services;

c. Electromagnetic interference;

d. Harmful interference to equipment;

e. Degradation of service of other systems which may be used;

f. Other technical causes of harmful interference.

2. By July 1, 1990, Technical Regulations for wireless telecommunications equipment will not include any of the criteria of the harmonized list in B.I., such as the performance of the equipment beyond the necessary or even technical harmful interference.

The ROK affirms that its MFC --, multi-frequency coordination standards are limited to equipment which even technical harmful interference.

3. After [July 1, 1991], man-made systems for wireless telecommunications equipment except for navigation and aviation safety equipment (as defined by the ROK in Attachment I) will not include any of the criteria, such as

as performed elsewhere, other than on-harmonized-to-the-spectrum.

C. ACCEPTANCE OF TEST DATA

1. By July 1, 1990, the ROKG has committed to merge its existing approval procedures for wireless telecommunications equipment into one approval procedure: "The Type Approval System".
2. By July 1, 1990, the ROKG will accept test data generated by foreign laboratories and manufacturers for use in the approval process for all wireless equipment and for all wireless terminal equipment except for navigation and aviation safety equipment (as defined by the ROKG in Attachment I).
3. In order to be accepted by the ROKG, the foreign independent laboratory or foreign manufacturer must [either be accredited by the ROKG or present test data that shows compliance with the standards criteria in the Technical Regulations and demonstrate testing methods adequate to support the results.
4. The ROKG agrees that upon presentation of appropriate test data and the fulfillment of the type approval process [under the criteria in B.1.), all future shipments of such type approved equipment may be freely imported into Korea without delay.
5. The ROKG reserves the right [if a reasonable sample of products,] to exclude, subject to a transparent appeals process, type approved stores or premises equipment which does not perform according to the test data provided.
6. The ROKG affirms that the Telecommunications Technology Division of the MOC will ensure impartiality in the approval process for stores or premises equipment.

ATTACHMENT TO ATTACHMENT 3

Navigation and Aviation Safety Equipment

1. The importation of navigation and aviation equipment
Navigation and Aviation Equipment are very important to the protection of radio interference as well as a Union of navigation method with land at sea or in the air.
 - These equipment should operate or maintain at a merge
 - These criteria are required by CCIR, RR and SOLAS regulations in other areas
 - ROKG will require some performance criteria but it would be same level with FCC's
2. Following are the list of navigation and aviation equipment
 - A. Navigation equipment
 - Automatic alarm signal receiver
 - Portable radio equipment for life boat
 - Radio direction finder for ship
 - Emergency position indicating radio beacon
 - F3E radio telephone for ship
 - Radar for ship
 - SSB transmitter for ship
 - B. Aviation equipment
 - SSB transmitter for air craft.
 - DSB transmitter for air craft

ATTACHMENT

AN AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA
ON TELECOMMUNICATION EQUIPMENT
TARIFF REDUCTION

February 15, 1990

The Korean government agrees to accelerate by one year the implementation of each year's scheduled tariff reduction outlined in the current five year tariff reduction program for the following list of telecommunications products:

Korean H. S. Number Description

8517.20 Teleprinters

8517.30 Telephonic or telegraphic switching apparatus ,

.301 --for public exchange

.3011 --of electronic switching system

.3019 --other

.309 --other

.3091 --of electronic switching system

.3099 --other

8517. 050 Optical Fiber Transmission system

8517. 060 Carrier equipment for broadcasting system

8517. 070 Signal Converter

8517. 080 Multiplexer

8517. 090 Other

8517. 80 Other Apparatus

8517.90 Parts

.9010 --of electronic switching system public exchange ,

.909 --other

.9091 --of telephone set

.9092 --of public exchange

.9093 --of private exchange

.909 --of apparatus for carrier

.9095 --of facsimile

.9099 --other,

8525.1010 Transmission apparatus radio-broadcasting apparatus

8525.2030 Transmission apparatus Facsimile Transmission equipment ,

8525.2060 T mi io pp tu T ceive
8527. 90 Receptio pp tu fo dio-telepho y 4 othe
8529.10.9290 A te fo 8525 d 8527
8529.9099 P t (e lie of 8525 d 8527)
[8531.1080.00 P gi g le ti g device]
[8531.1090 P t (e lie fo 8531]
[fi l deci io o b cketed ite to be de by 3/31/90]

TANC offers these agreements electronically as a public service for general reference. Every effort has been made to ensure that the text presented is complete and accurate. However, copies needed for legal purposes should be obtained from official archives maintained by the appropriate agency.

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