

No. 12367

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CANADA  
and  
REPUBLIC OF KOREA

Trade agreement (with agreed official minute and exchanges  
of letters). Signed at Ottawa on 20 December 1966

*Authentic texts: English, French and Korean.*

*Registered by Canada on 28 March 1973.*

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CANADA  
et  
RÉPUBLIQUE DE CORÉE

Accord de commerce (avec mémorandum officiel d'accord  
et échanges de lettres). Signé à Ottawa le 20 décembre  
1966

*Textes authentiques : anglais, français et coréen.*

*Enregistré par le Canada le 28 mars 1973.*

## TRADE AGREEMENT<sup>1</sup> BETWEEN CANADA AND THE REPUBLIC OF KOREA

The Government of Canada and the Government of the Republic of Korea, desiring to strengthen and develop trade relations between the two countries, have agreed as follows:

*Article I.* 1. Each Contracting Party shall accord to the other Contracting Party unconditional most-favoured-nation treatment in all matters respecting: customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports; the method of levying such duties and charges; the rules and formalities connected with importation or exportation; all internal taxes or other internal charges of any kind; all laws, regulations and requirements affecting internal sale, offering for sale, purchase, distribution or use of imported goods within its territory.

2. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by either Contracting Party in regard to the matters referred to in paragraph 1 of this article to any product originating in any third country or consigned to the territory of any third country shall be accorded immediately and without compensation to the like product originating in or consigned to the territory of the other Contracting Party, respectively, and irrespective of the nationality of the carrier.

3. The provisions of this article relating to most-favoured-nation treatment are not applicable to exclusive advantages accorded by Canada to countries and their dependent overseas territories entitled to the benefits of the British Preferential Tariff.

*Article II.* Each Contracting Party shall accord to the products of the other Contracting Party, which have been in transit through the territory of any third country receiving most-favoured-nation treatment from the importing country, treatment no less favourable than that which would have been accorded to such products had they been transported from their place of origin to their destination without going through the territory of such third country. Each Contracting Party shall, however, be free to maintain its requirements of direct consignment existing on the date of signature of the present Agreement in respect of any goods in regard to which such direct consignment has relation to that Contracting Party's prescribed method of valuation for duty purposes.

*Article III.* In all matters relating to the importation or exportation of any product from or to the territory of the other Contracting Party, to the allocation of foreign exchange, and to the administration of foreign exchange restrictions affecting transactions involving the importation and exportation of any product, each Contracting Party undertakes not to apply any prohibitions or restrictions which are not similarly applied to the importation or exportation of the like product from or to the territories of all third countries.

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<sup>1</sup> Came into force on 20 December 1966 by signature, in accordance with article VIII (1).

*Article IV.* 1. The provisions of the present Agreement shall not limit the right of either Contracting Party to apply prohibitions or restrictions of any kind directed to the protection of its essential security interests or to the implementation of its obligations under any multilateral commodity agreement concluded under the auspices of the United Nations which is open to participation by both governments.

2. The provisions of the present Agreement shall not limit the right of Korea to accord tariff preferences or other advantages in respect of imports under the military and economic grant aid programmes of any foreign government, corporation or association or of the United Nations and the specialized agencies brought into relationship with the United Nations in accordance with the provisions of the Charter of the United Nations.

*Article V.* Each Contracting Party undertakes that if it establishes or maintains a state enterprise wherever located, or grants to any enterprise, formally or in effect, exclusive or special privileges, such enterprise shall, in its purchases or sales involving either imports or exports, act in a manner consistent with the principles of non-discriminatory treatment provided for in the present Agreement. To this end, subject to the provisions of article IV, such enterprises shall make any purchases or sales solely in accordance with commercial considerations including price, quality, availability, marketability and other conditions of purchase or sale, and shall afford to the enterprises of the other Contracting Party adequate opportunity in accordance with customary business practice to compete for participation in such purchases or sales.

The provisions of the first paragraph of this article shall not apply to imports of products for immediate or ultimate consumption in governmental use and not otherwise for resale or use in the production of goods for sale. With respect to such imports, each Contracting Party shall accord to the trade of the other Contracting Party fair and equitable treatment.

*Article VI.* Each Contracting Party undertakes to conform in its trade and commerce to internationally accepted fair practices, particularly in matters relating to trade marks, marks of origin and rights under patents, and to co-operate with the other Contracting Party with a view to preventing any practices which might prejudicially affect the commerce between the two countries.

*Article VII.* The Government of either Contracting Party shall give sympathetic consideration to any representations which the Government of the other Contracting Party may take in respect of the implementation of the present Agreement and shall afford adequate opportunity for consultation regarding such representations.

*Article VIII.* 1. This Agreement shall come into force on the date of signature and shall remain valid for a period of three years from such date. Thereafter it shall remain in effect until:

(a) the two Governments otherwise agree, or

(b) one Government gives to the other notice in writing of its desire to terminate the Agreement, in which event the Agreement shall be terminated ninety days after the date on which the notice is given.

2. Any revision or termination of this Agreement shall be without prejudice to any right or obligation accruing or incurred under the Agreement prior to the effective date of such revision or termination.

IN WITNESS WHEREOF the representatives of the two Governments, duly authorized for the purpose, have signed the present Agreement.

DONE at Ottawa, this twentieth day of December, 1966, in two copies, each in the English, French and Korean languages, all versions of which are equally authentic.

EN FOI DE QUOI les représentants des deux Gouvernements, dûment autorisés à cet effet, ont signé le présent Accord.

FAIT à Ottawa, le vingtième jour de décembre 1966, en double exemplaire, dans les langues anglaise, française et coréenne, toutes les versions faisant également foi.

이상은 캐나다와 1966년 12월 20일 위와 같은 조건에 의해 각국 정부 대표가 본 협정에 서명하였다.

1966년 12월 20일 이 오타와에서 둘째의 정본인 영어, 불어로  
한국어의 본서 2월 25일.

For the Government  
of Canada:

Pour le Gouvernement  
du Canada:

나라 정부를 위하여 :

[Signed—Signé]<sup>1</sup>  
[Signed—Signé]<sup>2</sup>

For the Government  
of the Republic of Korea:

Pour le Gouvernement  
de la République de Corée:

대한민국 정부를 위하여 :

[Signed—Signé]<sup>3</sup>  
[Signed—Signé]<sup>4</sup>

#### AGREED OFFICIAL MINUTE MEMORANDUM OFFICIEL D'ACCORD

한국어 의사록

With reference to article IV of the Trade Agreement it is understood and agreed by the Contracting Parties that the measures that may be undertaken for the protection of essential security interests relate to such measures as, for example, might be undertaken, for purposes of public security or national defence or maintenance of international peace;

<sup>1</sup> Signed by Paul Martin—Signé par Paul Martin.

<sup>2</sup> Signed by Robert Winters—Signé par Robert Winters.

<sup>3</sup> Signed by Tong Won Lee—Signé par Tong Won Lee.

<sup>4</sup> Signed by Sun Yup Paik—Signé par Sun Yup Paik.

## EXCHANGES OF LETTERS—ÉCHANGES DE LETTRES

I a

[KOREAN TEXT—TEXTE CORÉEN]

EMBASSY OF THE REPUBLIC OF KOREA  
OTTAWA

1966년 12월 20일, 오타와

각하,

대한민국과 카나다간의 드로잉 헌전 서면에 제하여 보인은 각하에게  
 카나다의 국내 생산언자에 대하여 주대학 솔해트 이트. 키게 하거나 또는  
 일으키도록 위협하는 한국으로 부터의 드로잉 생산품의 수출에 관하여,  
 대한민국 정부는 양 저보간에 학의 된 수출으로 이터한 생산품의 수출에  
 유호한 제한 조치를 적용하기 위하여 카나다 저보의 오류에 대하여 학의한  
 것을 약속함을 각하에게 통고하는 옛광을 가지니다.

본인은 이 기회에 각하에게 새로이 최고의 경의를 표하는 바입니다.

대한민국 외무부장관

카나다 외무부장관

풀. 마린 각하

[TRANSLATION<sup>1</sup>]

*The Minister of Foreign Affairs of the Republic of Korea to the Secretary of State for External Affairs*

EMBASSY OF THE REPUBLIC  
OF KOREA  
OTTAWA

Ottawa, December 20, 1966  
Excellency,

[See letter II a]

[TRADUCTION<sup>1</sup>]

*Le Ministre des affaires étrangères de la République de Corée au Secrétaire d'Etat aux affaires extérieures*

AMBASSADE DE LA RÉPUBLIQUE  
DE CORÉE  
OTTAWA

Ottawa, le 20 décembre 1966  
Excellence,

[Voir lettre II a]

<sup>1</sup> Translation supplied by the Government of Canada.<sup>1</sup> Traduction fournie par le Gouvernement canadien.

I avail myself, Excellency, of this opportunity to renew the assurances of my highest consideration.

[Signed]

TONG WON LEE  
Minister of Foreign Affairs  
His Excellency Paul Martin  
Secretary of State for External Affairs  
Ottawa

Je saisir cette occasion pour vous réitérer, Excellence, les assurances de ma très haute considération.

[Signé]

TONG WON LEE  
Ministre des affaires étrangères  
Son Excellence Paul Martin  
Secrétaire d'Etat aux affaires extérieures  
Ottawa

## II a

*The Secretary of State for External Affairs to the Minister of Foreign Affairs of the Republic of Korea*

SECRETARY OF STATE  
FOR EXTERNAL AFFAIRS

Ottawa, December 20, 1966

Excellency,

I have the honour to refer to your letter of today's date, which reads as follows:

“On the occasion of the signing of the Trade Agreement between the Republic of Korea and Canada, I have the honour to inform Your Excellency that with respect to exports of certain products from Korea which may cause or threaten to cause serious injury to domestic producers in Canada, the Government of the Republic of Korea undertakes to consult at the request of the Government of Canada with a view to applying effective restraints on the exports of such products, at levels agreed by both Governments.”

On behalf of the Government of Canada I acknowledge with thanks the undertakings of the Government of the Republic of Korea set out in your letter.

*Le Secrétaire d'Etat aux affaires extérieures au Ministre des affaires étrangères de la République de Corée*

SECRÉTAIRE D'ÉTAT  
AUX AFFAIRES EXTÉRIEURES

Ottawa, le 20 décembre 1966

Excellence,

J'ai l'honneur de me référer à votre lettre de ce jour, qui est conçue dans ces termes :

« A l'occasion de la signature de l'Accord de commerce entre la République de Corée et le Canada, j'ai l'honneur de vous faire connaître qu'à l'égard des exportations de certains produits de Corée qui peuvent causer ou menacent de causer un préjudice grave pour les producteurs nationaux du Canada, le Gouvernement de la République de Corée s'engage à tenir des consultations à la demande du Gouvernement canadien afin d'appliquer, à des niveaux convenus par les deux Gouvernements, des restrictions effectives concernant les exportations de ces produits. »

Au nom du Gouvernement canadien, je prends acte avec reconnaissance des engagements du Gouvernement de la République de Corée tels qu'ils sont énoncés dans votre lettre.

I avail myself, Excellency, of this opportunity to renew to you the assurances of my highest consideration.

PAUL MARTIN  
Secretary of State  
for External Affairs

His Excellency Tong Won Lee  
Minister of Foreign Affairs  
of the Republic of Korea

Je saisir cette occasion pour vous réitérer, Excellence, les assurances de ma très haute considération.

Secrétaire d'Etat  
aux affaires extérieures :  
PAUL MARTIN

Son Excellence Tong Won Lee  
Ministre des affaires étrangères de la  
République de Corée

*I b*

*The Secretary of State for External Affairs to the Minister of Foreign Affairs of the Republic of Korea*

SECRETARY OF STATE  
FOR EXTERNAL AFFAIRS

Ottawa, December 20, 1966

Excellency,

On the occasion of signing the Trade Agreement between Canada and the Republic of Korea, I have the honour to inform Your Excellency that the Government of Canada reserves the right to establish values for ordinary and special duty purposes in the following terms:

1. If, as a result of unforeseen developments and of the effect of the obligations incurred by Canada under the aforesaid Agreement, any product is being imported into its territory in such increased quantities and under such conditions as to cause or threaten serious injury to the domestic producers in its territory of like or directly competitive products, it is understood that Canada will be free, in respect of such product, and to the extent and for such a time as may be necessary to prevent or remedy such injury, to

*Le Secrétaire d'Etat aux affaires extérieures au Ministre des affaires étrangères de la République de Corée*

SECRÉTAIRE D'ÉTAT  
AUX AFFAIRES EXTÉRIEURES

Ottawa, le 20 décembre 1966

Excellence,

A l'occasion de la signature de l'Accord de commerce entre le Canada et la République de Corée, j'ai l'honneur de vous faire connaître que le Gouvernement canadien se réserve le droit d'établir des valeurs douanières, aux fins de l'application des droits ordinaires et spéciaux, selon les modalités suivantes :

1. Si du fait de situations imprévues et des obligations contractées par le Canada en vertu de l'Accord ci-dessus, un produit quelconque est importé dans son territoire en quantités tellement accrues et dans des conditions telles qu'il en résulte ou menace d'en résulter un préjudice grave pour les producteurs nationaux qui, dans ledit territoire, fabriquent des articles semblables ou faisant directement concurrence à ce produit, il est entendu que le Canada sera libre, à l'égard de ce produit, ainsi que dans la mesure et

establish values for ordinary and special duty purposes.

2. In determining whether values should be established in respect of any product pursuant to paragraph 1 and in determining the level at which such values should be established, Canada will take into account the prices of like or directly competitive products, if any, being imported at that time from other countries.

3. Before Canada takes action pursuant to paragraph 1, it will give notice in writing to the Republic of Korea as far in advance as may be practicable and will afford the latter an opportunity to consult with it in respect of the proposed action. In critical circumstances, where delay would cause damage which it would be difficult to repair, action under paragraph 1 may be taken provisionally without prior consultation, on the condition that consultation shall take place immediately after taking such action.

It is further understood that these provisions would be without prejudice to Canada's right to take such alternative measures, in the circumstances envisaged, as may also be consistent with the General Agreement on Tariffs and Trade.<sup>1</sup> It is also understood that these provisions would continue to be applicable in the event that the General Agreement on Tariffs and Trade is applied between Canada and the Republic of Korea.

I avail myself, Excellency, of this opportunity to renew assurances of my highest consideration.

PAUL MARTIN  
Secretary of State  
for External Affairs

His Excellency, Tong Won Lee  
Minister of Foreign Affairs  
of the Republic of Korea

<sup>1</sup> United Nations, *Treaty Series*, vol. 55, p. 187.

pour le temps nécessaires pour prévenir un tel préjudice ou y remédier, d'établir des valeurs douanières aux fins de l'application de droits ordinaires et spéciaux.

2. En décidant s'il doit établir des valeurs en douane aux termes du paragraphe 1 dans le cas d'un produit quelconque, et en fixant le niveau de ces valeurs, le Canada tiendra compte des prix des articles semblables audit produit ou lui faisant directement concurrence, s'il en est alors importé d'autres pays.

3. Avant d'en venir à une décision aux termes du paragraphe 1, le Canada adressera à la République de Corée, aussi longtemps à l'avance qu'il le pourra, une notification écrite lui assurant la possibilité de conférer avec le Canada sur la décision envisagée. Dans des circonstances critiques, où tout retard causerait un préjudice auquel il serait difficile de remédier, la décision permise au paragraphe 1 pourra être prise provisoirement, sans consultation préalable, à condition que des entretiens aient lieu à ce sujet aussitôt après.

Il est entendu en outre que ces dispositions s'appliqueront sans préjudice du droit que possède le Canada de prendre, dans les circonstances envisagées, d'autres mesures qui soient conformes à l'Accord général sur les tarifs douaniers et le commerce<sup>1</sup>. Il est également entendu que ces dispositions continueraient d'être applicables advenant la mise en vigueur de l'Accord général sur les tarifs douaniers et le commerce entre le Canada et la République de Corée.

Je saisiss cette occasion pour vous réitérer, Excellence, les assurances de ma très haute considération.

Secrétaire d'Etat  
aux affaires extérieures :

PAUL MARTIN  
Son Excellence Tong Won Lee  
Ministre des affaires étrangères  
de la République de Corée

<sup>1</sup> Nations Unies, *Recueil des Traité*, vol. 55, p. 187.

드로 한 사태에 적극하여 어떠한 제 구·적은 관세 미 보여에 관한 일반협정  
과도 합치되는 대처 조치는 취할 카나다의 권리를 침해 하지 아니하는 것으로  
양해 드립니다.

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카나다간에 적용되는 경우, 이 제 구·적이 기속 적용될 것으로 양해 드립니다.  
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본인은 이기회에 그 외에게 최고의 경의로 표하는 바입니다.

대한민국 외무부 차관

카나다 외무부 차관

풀. 마틴 국장

[TRANSLATION<sup>1</sup>]

*The Minister of Foreign Affairs of the  
Republic of Korea to the Secretary of  
State for External Affairs*

EMBASSY OF THE REPUBLIC  
OF KOREA  
OTTAWA

Ottawa, December 20, 1966  
Excellency,

I have the honour to refer to your letter of today's date, which reads as follows:

[See letter I b]

I have the honour to confirm that the understandings in your letter set out above are concurred in by my Government.

[TRADUCTION<sup>1</sup>]

*Le Ministre des affaires étrangères de  
la République de Corée au Secrétaire  
d'Etat aux affaires extérieures*

AMBASSADE DE LA RÉPUBLIQUE  
DE CORÉE  
OTTAWA

Ottawa, le 20 décembre 1966  
Monsieur le Ministre,

J'ai l'honneur de me référer à votre lettre d'aujourd'hui, dont voici le texte :

[Voir lettre I b]

J'ai l'honneur de confirmer que les ententes contenues dans votre lettre agréent à mon Gouvernement.

<sup>1</sup> Translation supplied by the Government of Canada.

<sup>1</sup> Traduction fournie par le Gouvernement canadien.

I avail myself, Excellency, of this opportunity to renew to you the assurances of my highest consideration.

[Signed]

TONG WON LEE  
Minister of Foreign Affairs

His Excellency Paul Martin  
Secretary of State for  
External Affairs  
Ottawa

Veuillez agréer, Monsieur le Ministre, les assurances de ma très haute considération.

[Signé]

TONG WON LEE  
Ministre des affaires étrangères

Son Excellence Paul Martin  
Secrétaire d'Etat aux affaires extérieures  
Ottawa

I c

*The Minister of Trade and Commerce  
to the Ambassador of the Republic  
of Korea*

*Le Ministre du commerce à l'Ambassadeur de la République de Corée*

MINISTER OF TRADE AND COMMERCE

Ottawa, December 20, 1966  
Excellency,

With reference to the Trade Agreement between Canada and the Republic of Korea which has been signed today, it is the understanding of the Government of Canada that the Government of the Republic of Korea would wish to provide opportunities for Canadian products to compete on a commercial basis in the Korean market. In this connection, I have the honour to draw to your Excellency's attention the following goods which are of immediate export interest to Canada: wheat, barley, wheat flour, malt, breeding stock, softwood lumber, wood pulp, newsprint paper, asbestos, synthetic rubber, primary aluminum, nickel, lead and zinc.

With respect to the above products, it is my understanding that imports into the Republic of Korea of asbestos, certain softwood lumber, ground pulp, primary aluminum, nickel and lead are under the system of automatic approval whereby imports are free of restriction and the necessary foreign exchange is freely granted. It is under-

LE MINISTRE DU COMMERCE

Ottawa 4, le 20 décembre 1966  
Excellence,

En ce qui concerne l'Accord de commerce signé aujourd'hui entre le Canada et la République de Corée, le Gouvernement canadien croit savoir que le Gouvernement de la République de Corée désirerait assurer aux produits canadiens des possibilités de faire une concurrence commerciale sur le marché coréen. A cet égard, j'ai l'honneur d'attirer votre attention sur les produits suivants que le Canada serait intéressé à exporter immédiatement : blé, orge, farine de blé, malt, bétail producteur, bois tendres, pâte de bois, papier journal, amiante, caoutchouc synthétique, aluminium primaire, nickel, plomb et zinc.

En ce qui concerne les produits susmentionnés, je crois savoir que les importations d'amiante, de certains bois tendres, de pâte de bois mécanique, d'aluminium primaire, de nickel et de plomb à destination de la République de Corée se font en vertu du système d'approbation automatique grâce auquel les importations ne sont

stood that it is the intention of the Government of the Republic of Korea except when justified on balance-of-payments grounds to maintain unrestricted access for these items within the framework of its policy of gradually liberalizing trade. It is further understood that the Government of the Republic of Korea will endeavour to include at the earliest opportunity newsprint paper, chemical wood pulp, synthetic rubber and zinc under this group of products which are not subject to restrictions and that licences will be made available for import of malt and of cattle for breeding in accordance with the pertinent trade plan in force.

With respect to wheat and barley, it is understood that it is the intention of the Government of the Republic of Korea, as it becomes able to finance import of these products with its own foreign exchange, to develop a commercial market for imports in which Canada will be able to compete on a fully non-discriminatory basis.

Both Governments agree to consult further with respect to these and other products which are or may become of interest to Canada with a view to providing a fair and reasonable access for Canadian goods.

I avail myself, Excellency, of this opportunity to renew assurances of my highest consideration.

ROBERT WINTERS  
Minister of Trade  
and Commerce

His Excellency Sun Yup Paik  
Ambassador of the Republic  
of Korea

frappées d'aucune restriction et les devises étrangères nécessaires sont librement accordées. Il est entendu que le Gouvernement de la République de Corée a l'intention, sauf lorsqu'une action contraire est justifiée par des raisons de balance des paiements, de maintenir un accès non restreint pour ces produits dans le cadre de sa politique de libéralisation progressive du commerce. Il est entendu en outre que le Gouvernement de la République de Corée s'efforcera de faire entrer le plus tôt possible le papier journal, la pâte de bois chimique, le caoutchouc synthétique et le zinc dans ce groupe de produits non soumis à des restrictions et que des permis seront accordés pour l'importation de malt et de bétail reproducteur conformément au régime commercial en vigueur.

En ce qui concerne le blé et l'orge, il est entendu que le Gouvernement de la République de Corée se propose, dès qu'il pourra financer l'importation de ces produits avec ses propres devises étrangères, de développer un marché commercial pour les importations à l'égard desquelles le Canada pourra faire concurrence en bénéficiant d'un traitement à tous égards non discriminatoire.

Les deux Gouvernements se consulteront à propos de ces produits et de certains autres qui présentent ou peuvent présenter de l'intérêt pour le Canada, afin d'assurer un accès juste et raisonnable pour les produits canadiens.

Je saisiss cette occasion pour vous réitérer, Monsieur l'Ambassadeur, les assurances de ma très haute considération.

Ministre du commerce :  
ROBERT WINTERS

Son Excellence, Sun Yip Paik  
Ambassadeur de la République  
de Corée

