

No. 17298

**UNITED STATES OF AMERICA
and
REPUBLIC OF KOREA**

**Memorandum of Agreement relating to the Kimpo International Airport Expansion Project (with attachments).
Signed at Washington on 12 August 1977 and at Seoul
on 14 December 1977**

Authentic text: English.

Registered by the United States of America on 24 November 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DE CORÉE**

**Mémoire d'accord relatif au Projet d'extension de
l'aéroport international de Kimpo (avec annexes). Signé
à Washington le 12 août 1977 et à Séoul le 14 décembre
1977**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 24 novembre 1978.

MEMORANDUM OF AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA, DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION, AND THE GOVERNMENT OF THE REPUBLIC OF KOREA, MINISTRY OF TRANSPORTATION, CIVIL AVIATION BUREAU

WHEREAS, the Government of the United States of America, represented by the Federal Aviation Administration of the Department of Transportation, hereinafter referred to as the FAA, is able to furnish, on a reimbursable basis, services requested by the Republic of Korea, hereinafter referred to as the ROK, represented by the Civil Aviation Bureau of the Ministry of Transportation, hereinafter referred to as the CAB; and

WHEREAS, section 305 of the Federal Aviation Act of 1958, as amended, directs the FAA to encourage and foster the development of civil aeronautics and air commerce in the United States and abroad and section 5 of the International Aviation Facilities Act of 1948, as amended, authorizes the FAA to accept funds from any foreign government as payment for any facilities supplied or services performed for such government; and

WHEREAS, section 313 (d) of the Federal Aviation Act, as amended, authorizes the training of foreign nationals in aeronautical and related subjects essential to the orderly and safe operation of civil aircraft;

NOW, THEREFORE, the Parties hereto mutually agree as follows:

Article I. PURPOSE OF AGREEMENT

The purpose of this Memorandum of Agreement (MOA) is to assist the CAB with a major program activity known as the Kimpo International Airport Expansion Project. This program is being managed by the CAB under an Export-Import (EX-IM) Bank loan. FAA's role in the project would be limited to the improvement of the NAVAID, Radar/Automation and Communications portions of the Air Traffic Control (ATC) facilities at Kimpo International Airport.

FAA will provide technical assistance to the CAB to support the implementation of this program. Therefore, FAA will provide assistance in evaluating technical proposals relating to the system requirements. FAA will also establish a resident group of specialists to assist CAB with technical supervision services during the system procurement, manufacturing, installation, checkout and acceptance phases of the project.

It is understood and agreed that the FAA's ability to furnish the full scope of technical assistance provided by this Agreement depends on the CAB's procurement of systems and equipment of U.S. origin that are similar to those used by the FAA in the United States' National Airspace System. It is further understood that the full range of FAA services to be provided are contingent upon completion of project procurement and construction by the ROK within the 30-month period after contract award in conformity with this MOA.

Article II. DESCRIPTION OF SERVICES

Under the terms and conditions stated in this MOA, the FAA will provide technical assistance to the CAB in general conformity with the three project activities listed in this article and as further defined in attachment A, "Definition of FAA services," and attachment B, "Program schedule and estimated manpower requirements."

¹ Came into force on 14 December 1977 by signature, in accordance with article VIII.

1. *Technical evaluation.* FAA shall conduct a technical evaluation of proposals for CAB which the ROK has received from vendors interested in providing the systems hardware and services for the ATC Facility portion of the Kimpo International Airport Expansion Project. Such evaluation will be conducted in Washington, D.C., by FAA and is estimated to require 60 calendar days to complete after receipt of proposals by FAA. CAB will assign one engineer to FAA Washington to work with and provide the ROK interface with vendors during the entire evaluation process.

2. *FAA civil aviation assistance group.* FAA will provide a resident group of technical specialists to assist CAB in conducting supervisory services necessary to support the monitoring of contractor services connected with the implementation of the ATC portion of the Kimpo Expansion Project. This Group will consist of resident and TDY specialists and local hire personnel as defined in attachment B. The resident specialists will be assigned to Korea for a 24-month period starting six months after contract award. The resident group and TDY specialists assigned to Seoul, Korea, will be known as the Civil Aviation Assistance Group, hereinafter referred to as the CAAG.

3. *FAA-CAB coordination visits.* The CAB shall participate with FAA in engineering and administrative coordination efforts to effectively manage and administer the electronics systems contract during its existence. This effort will require CAB and CAAG personnel to travel to the U.S. on a TDY basis. Airline transportation costs to and from the U.S. for such coordination efforts will be borne by the CAB. FAA will provide for transportation in the U.S. and per diem costs of CAB and CAAG personnel for the entire trip.

The services provided by FAA in support of the ATC facility modernization and implementation at Kimpo International Airport will include the following types of systems and equipment: RADAR/Automation; DME; TVOR; NDB; Communications Systems (VHF/UHF air to ground, tower modernization, International Aeronautical Communications Station transmitting and receiving, automatic teletypewriter system, ATC hot line tie in to other airports and the Taegu ATCC, and Aeronautical Fixed Telecommunications Service in the HF, VHF and UHF bands).

Article III. STATUS OF FAA PERSONNEL IN KOREA

1. The principal FAA representative will be designated the CAAG Chief. In the context of this Agreement, the CAAG Chief will assist and relate directly with the Director Generals of CAB and Seoul Regional Aviation Bureau (SRAB) in carrying out the functions of this program. The CAAG Chief will also relate directly with high level ROK and U.S. officials as may be required to administer and perform the responsibilities of the CAAG as defined in this Agreement.

2. The FAA, in establishing the CAAG in Korea, will submit the names of all permanent personnel to CAB prior to assignment. FAA personnel assigned to this program will retain their status as U.S. Government, FAA, employees and their supervision and administration shall be in accordance with the policies and procedures of the FAA. They will be subject to the discipline of the FAA as an organization of the Government of the United States of America and will perform at the level of conduct and technical competence required by FAA.

3. The movement of household effects and one automobile for each FAA employee who is permanently assigned to the CAAG is authorized and planned for surface shipment to and from Korea. A limited air shipment of 750 pounds per family will also be provided. Such air shipment of effects will be by commercial aircraft. FAA will make arrangements for all shipments.

4. The CAAG will receive in-country administrative support from the U.S. Embassy including but not limited to communications services, housing and travel assistance.

The full scope of Embassy support will be defined between the FAA and the U.S. Department of State under appropriate support documentation.

5. The ROK will accord to the personnel of the FAA in Korea the rights, protections, advantages, privileges and exemptions accorded to non-diplomatic official personnel of the United States Mission in Korea of equivalent rank in all matters, including but not limited to exemption from: national income and municipal taxes, fiscal matters, customs, privileges and exemption from import and other customs taxes, and exemption from other local and national license and permit fees.

Article IV. ROK SUPPORT

1. The CAB will provide at its own expense all official transportation of FAA personnel in Korea under the terms of this Agreement. This may be accomplished by use of ROK aircraft or by use of commercial Korean air, rail or other ground vehicle transportation systems and will include local transportation for FAA personnel while on official duty in performing their day to day activities in Seoul, Korea, and at Kimpo International Airport. This will require a minimum of one full time driver and vehicle.

2. CAB will also provide, at its expense, all support required by the CAAG, including but not limited to, suitable office and work space, utilities including telephone, furnishings and supplies for the CAAG, drafting and translating services, publication and duplication assistance, and such other items and services as are required to enable effective performance. All support and services required by the CAAG and not provided by CAB will be arranged for by FAA and reimbursed by the CAB under the terms of this Agreement.

3. The ROK in cooperation with the U.S. Embassy will assist the FAA in clearing household effects and personally owned vehicles of CAAG members through Korean customs. The ROK will also assist in locating CAAG household effects and vehicles which may be delayed or lost in transit to insure timely processing for such incoming items through Korean customs.

4. ROK will insure the participation of all agencies of the ROK and provision of information as required by the CAAG to perform its mission under the terms and conditions of this Agreement. FAA will insure that its personnel have appropriate U.S. Government security clearances to receive and work with classified information and documentation.

Article V. LIABILITY

The ROK agrees that no claim will be brought by the ROK, its instrumentalities or employees, against the Government of the United States, the Department of Transportation, the Federal Aviation Administration, or any instrumentality, officer or contract employee of the United States, arising out of activities under this Agreement. The ROK further agrees to defend any suit brought against the United States, the Department of Transportation, the FAA, or any instrumentality or officer of the United States arising out of work under this Agreement and to hold the Government of the United States, the Department of Transportation, the FAA or any instrumentality or officer of the United States harmless against any claim for personal injury, death, property damage or other loss arising out of activities under this Agreement.

Article VI. COST AND BILLING

1. It is estimated that the cost for FAA provided services will be approximately \$775,000. Attachment C to this Agreement reflects estimated costs for services. The FAA shall bill the CAB quarterly on an accrued cost basis for costs incurred in furnishing services under this Agreement. Estimates are provided for planning purposes only and

ATTACHMENT A

DEFINITION OF FAA SERVICES

The following information provides definition of FAA services to be performed as agreed to in the articles of this MOA. Project activities listed below relate directly to parts 1, 2, and 3 of article II which outline broad guidelines for FAA technical assistance and services.

1. Technical evaluation of proposals

a. The FAA shall provide manpower and evaluation documentation to assist the CAB in the qualification of contractors or suppliers. This technical evaluation of the bids is for the Navigational Aids, Radar Automation and Communications facilities portion of the Kimpo International Airport Expansion project.

b. The evaluation will be accomplished by the FAA for CAB in Washington, D.C. Completion of the evaluation by FAA is estimated within a 60-day period after receipt of the complete procurement proposal package.

c. One CAB engineer will be assigned to FAA/Washington during the evaluation process to provide official interface and coordination that may be required between CAB, Office of Supply, Republic of Korea (OSROK), and the manufacturers. The CAB engineer will be provided office space at FAA, Washington. If required by the ROK, an OSROK official may also be assigned to the evaluation team. FAA responsibility for support of the OSROK member would be limited to providing desk space only.

d. FAA technical personnel will accompany the CAB engineer on visits as required to consult with manufacturers during the proposal evaluation period. The cost estimate will include necessary funding to provide for such visits of both FAA and CAB personnel.

e. CAB will notify FAA immediately upon release of Requests for Proposals (RFP) by OSROK. This notification will identify the time allowed contractors to submit their proposals and estimated dates that RFPs would be delivered to FAA by OSROK. This will permit FAA to schedule manpower requirements.

f. The CAB will make all decisions relating to bidders during the FAA-assisted evaluation process. Notification to the bidders of such decisions will be made by CAB.

g. The FAA written analysis of its evaluation of technical proposals will be sufficient to allow CAB to adequately rank all bidders.

2. FAA-CAAG

a. The FAA shall assist the CAB in performing the supervision of equipment installation, inspection of equipment installation, project coordination, witness performance tests and other services at Kimpo International Airport to assure timely completion of the project. This shall include coordination with the CAB, the EX-IM Bank and the construction contractor, as necessary, and other related type services normally performed by consulting engineers in accordance with professional practice codes.

b. During the FAA-assisted project, the CAB will make all decisions relating to the procurement and installation of equipment and/or systems by the contractor. The CAB will notify the contractor of all such project decisions.

c. FAA will support or assist CAB in the supervision of contract activities as follows:

- (1) Assist the CAB in directing the work by the contractors or suppliers in performing specified services;

are not intended to obligate either the CAB or FAA to specific amounts cited since FAA will only bill the CAB for actual costs.

2. Except for local support actually provided by the CAB in accordance with article IV, FAA shall arrange and pay all other necessary costs of providing the services of its personnel under this Agreement in accordance with FAA regulations and practices with subsequent reimbursement by the CAB.

3. The ROK will reimburse the FAA quarterly for the project costs incurred by FAA in furnishing services, including all costs arising from the expiration or termination of the Agreement, in accordance with provisions hereunder.

4. The Government of the Republic of Korea shall arrange for the establishment of a Letter of Credit, in favor of the FAA, with the Manufacturers Hanover Trust Bank in New York. The Letter of Credit will provide full coverage of the total estimated costs referred to under article VI-A of this Agreement. The Letter of Credit will remain in effect until such time as FAA's final bill is paid.

5. The CAB hereby designates the Aviation Facilities Construction Office as the office to which the FAA Accounting Operations Division, AAA-200, will render bills for payment. Bills will contain a reference to Agreement Number W.O.-1-170 assigned to this project and a summary which will identify charges accrued at the time of billings, personnel assignments and specific period covered. Payments are to be made by dollar check, within 30 days from receipt of FAA bills, and made payable to the Federal Aviation Administration.

6. If, during the execution of this Agreement, important modifications of present financial conditions occur, such as fluctuations in cost of providing allowances, benefits, and transportation, the amount estimated in article VI-A, will be revised accordingly.

Article VII. AMENDMENTS

This MOA may be amended to provide for expansion of requirements and continuation of the program. Any changes in the services furnished, charges or other provisions of this Agreement shall be formalized by an appropriate written amendment which shall outline the nature of the change.

Article VIII. EFFECTIVE DATE AND TERMINATION

This Agreement becomes effective upon signature of the duly authorized representatives of FAA and ROK and shall remain in effect until the program concept contained herein or, as amended, is completed as agreed to by FAA and CAB. This MOA may be terminated at any time by either Party by 30 days' notice in writing. Any such termination will allow FAA 120 days to close out the CAAG and domestic support program operations and return FAA personnel to their regular FAA duty assignments.

The FAA and the ROK agree to the provisions of this Agreement as indicated by the signatures of their duly authorized officers.

Government of the Republic of Korea, Ministry of Transportation, Civil Aviation Bureau:

[Signed]

By: WON BAE SUH

Title: Director-General, Civil Aviation Bureau

Date: Dec. 14, 1977

United States of America, Department of Transportation, Federal Aviation Administration:

[Signed]

By: NORMAN H. PLUMMER

Title: Actg. Assistant Administrator for International Aviation Affairs

Date: Aug. 12, 1977

- (2) Assist the CAB in preparation of any additional plans, designs, specifications and drawings necessary for executing equipment installation activities;
- (3) Check, evaluate and advise CAB of adequacy of the contractor's work and progress schedules for the most effective and expeditious methods of carrying out the work;
- (4) Assist the CAB in checking and arrange for the revision of contract drawings and specifications as necessary to reflect any changes necessitated by field conditions discovered during the equipment installation period;
- (5) Provide contractors with necessary site location assistance;
- (6) Check and approve for CAB all necessary instructions to the contractors, and assist CAB in controlling the work to ensure that it is carried out in accordance with the contract requirements; this would include examining and advising CAB that detailed drawings submitted by the equipment manufacturers or suppliers are satisfactory; instructions to the contractor will be issued by the CAB;
- (7) FAA will check and verify that the measurements and quantities of the completed contractor's work are correct and within the terms of the contracts; FAA will report these findings to CAB;
- (8) During the period of FAA in-country technical assistance, FAA will inspect the contractor's work and provide a final acceptance inspection; this final acceptance inspection will document that systems are, or are not, properly adjusted, tuned, and meet applicable flight inspection criteria;
- (9) Assist the CAB in settling disputes or conflicts which may arise between the CAB and contractors; FAA will alert CAB of any problems arising in connection with contracts and make appropriate recommendations;
- (10) Assist CAB with scheduling training at the FAA Academy for CAB technicians and air traffic controllers; FAA will also assist in providing on-the-job training (OJT) to CAB maintenance personnel at Kimpo Airport;
- (11) Provide advice and assistance in developing improved maintenance programs and concepts for the operation of ARTS type equipment and associated software support; FAA will also assist in developing a logistic support program for FAA-type equipment procured for this project;
- (12) Check and verify for CAB inspection and test records which are submitted by the contractors or suppliers;
- (13) Assist CAB in the preparation of correspondence as may be required;
- (14) The FAA will provide CAB the following reports:
 - (a) A monthly report in accordance with FAA Order IA-1840.1 which will contain program status and other pertinent data (30 copies);
 - (b) A report to CAB that equipment provided by the contractor meets the requirements of the contract specifications (10 copies);
 - (c) A final acceptance inspection report to CAB regarding the technical acceptability of the systems and equipment prior to commissioning and acceptance by the CAB from the contractor (10 copies);
 - (d) An end of the project report (30 copies).

3. *FAA-CAB coordination visits*

a. An FAA-CAAG specialist will accompany CAB engineers to the U.S. for any necessary coordination trips regarding the equipment contracts. It is estimated that two trips per year will be required consisting of two CAB and one FAA engineer.

b. FAA will assist CAB in arranging schedules and providing for accommodations during these visits as required. CAB shall notify and coordinate with the CAAG 30 days prior to proposed visits.

ATTACHMENT B

PROGRAM SCHEDULE AND ESTIMATED MANPOWER REQUIREMENTS

The following manpower requirements referenced below correspond directly to article II, Description of services, paragraphs 1, 2 and 3:

1. *Technical evaluation*

a. Work to be performed by FAA in Washington, D.C., and is estimated to require 135 man-days of effort.

b. Duration of the technical evaluation is estimated at 60 calendar days after receipt of the proposals from CAB.

c. One CAB engineer required to be assigned to FAA, Washington, D.C., during and slightly beyond the evaluation period; duration of the CAB engineer's assignment is estimated at 75 calendar days.

2. *FAA-CAAG*

FAA-CAAG support services to assist CAB with the supervision of equipment installation and check out, performance testing, monitoring contract requirements, project coordination and other services as agreed to in accordance with this Agreement.

a. CAAG composition:

- (1) NAVAID/Program Specialist and Chief, 24 mo.;
- (2) RADAR Automation Specialist, 24 mo.;
- (3) Communications Specialist, 24 mo.;
- (4) Secretary (local hire), 24 mo.;
- (5) Program Specialist—TDY, 90 days;
- (6) Facilities Specialist—TDY, 60 days;
- (7) Maintenance and Training Specialist—TDY, 60 days.

NOTE. Positions (1), (2), (3) and (4) above to be assigned to Korea approximately 6 months after contract award and will be required for 24 months.

TDY assignment (5) above to be assigned to Korea 2 months after contract award.

TDY assignment (6) and (7) above to be assigned to Korea as decided by the CAAG Chief and CAB to coincide with program requirements.

b. FAA/Washington direct support:

- (1) Program Specialist, 6 man-months over the duration of the program described in this MOA.

3. *FAA-CAB coordination visits*

Management and consultation visits of CAB and CAAG officials to the U.S. to monitor contractor activities and consultation with FAA.

a. Four trips each for the following complement of personnel over a two-year period after contract award:

- 2 CAB officials (× 4 trips), 12 days each;
- 1 CAAG official (× 4 trips), 12 days each.

b. Estimate in *a* above is considered as minimum requirement and may need adjustment to meet needs as program progresses.

ATTACHMENT C

ESTIMATED COSTS FOR FAA TECHNICAL ASSISTANCE SERVICES, WO-I-170

	Evaluation and interim phase		Resident group						Subtotal—18 months		2nd year—6 months		Total estimated costs	
			1st year—12 months		2nd year—6 months									
	Man-months	Cost	Man-months	Cost	Man-months	Cost	Man-months	Cost	Man-months	Cost	Man-months	Cost		
Staffing														
I. Technical evaluation														
A. FAA/W Evaluation Team														
B. KCAB Engineer in US for contract eval.	6						6				6			
II. FAA CAAG														
A. FC-12/5 Chief, CAAG			12		6		18		6		24			
B. FC-11/5 Comm. Spec.			12		6		18		6		24			
C. FC-11/5 Radar Autom. Specialist			12		6		18		6		24			
D. Local Secretary			12		6		18		6		24			
E. Temporary Duty Assigns.														
— 2 @ 60 days			4				4				4			
— 1 @ 90 days	3						3				3			
III. FAA/KCAB Coordination														
— 1 CAAG member			2.4		2.4		4.8				4.8			
— 2 KCAB														
Total staffing	9		54.4		26.4		89.8		24		113.8			
Funding														
I. Technical evaluation team														
— GS-14/5 135 man-days		20,400					20,400				20,400			
— Travel within US		2,000					2,000				2,000			
— KCAB Engineer: 75 days per diem and travel within US		6,900					6,900				6,900			
Subtotal evaluation team		\$29,300					\$29,300				\$29,300			
II. FAA CAAG services														
A. Salaries and related benefits	10,700		145,700		84,000		240,400		70,200		310,600			
B. Allowances (transfer, education, temp. lodg., quarters)			54,200		23,200		77,400		13,800		91,200			

	<i>Resident group</i>											
	<i>Evaluation and interim phase</i>		<i>1st year—12 months</i>		<i>2nd year—6 months</i>		<i>Subtotal—18 months</i>		<i>2nd year—6 months</i>		<i>Total estimated costs</i>	
	<i>Man-months</i>	<i>Cost</i>	<i>Man-months</i>	<i>Cost</i>	<i>Man-months</i>	<i>Cost</i>	<i>Man-months</i>	<i>Cost</i>	<i>Man-months</i>	<i>Cost</i>	<i>Man-months</i>	<i>Cost</i>
C. Travel and transportation (change-of-station, TDY travel, FAA/W mgmt. travel, rest and recuperation)		6,700		68,900		62,000		137,600		—		137,600
D. Other requirements (medical, security investigation, supplies/materials, printing/reproduction, DOS support, pro rata cost Wash. support)				28,500		26,000		54,500		800		55,300
Subtotal CAAG Services		17,400		297,300		195,200		509,900		84,800		594,700
III. FAA/KCAB coordination visits												
1. CAAG member per diem and travel in US				5,200		5,200		10,400				10,400
2. KCAB engineer per diem and travel in US				11,100		11,100		22,200				22,200
Subtotal coordination visits				16,300		16,300		32,600				32,600
Total: Evaluation Team CAAG Services Coord. Visits		46,700		313,600		211,500		571,800		84,800		656,600
Contingency (5 pct.)		2,700		15,700		21,200 ⁽¹⁾		39,600		8,400 ⁽¹⁾		48,000
Overhead (10 pct.)		4,900		32,900		23,300		61,100		9,300		70,400
GRAND TOTAL		54,300		362,200		256,000		672,500 ⁽²⁾		102,500		775,000

⁽¹⁾ 10 pct.⁽²⁾ Subtotal includes costs for technical evaluation and interim phase 90 day TDY.