

UNDERSTANDING ON THE KOREAN POSTAL REFORM PLAN¹

In the course of the negotiations of this Agreement, the delegation of Korea explained to the delegation of the United Kingdom the steps taken by the Korean government to reform its postal services.

In this context, Korea has drawn to the attention of the delegation of the United Kingdom the following aspects of its postal reform plan, outlined in the *Understanding on the Korean Postal Reform Plan* of the Korea-EU FTA as follows:

“Korea intends to expand gradually the exceptions to the Korean Postal Authority's monopoly to increase the scope of private delivery services that are permitted. This will be done through amendments to the Postal Service Act, related laws, or their subordinate regulations.

- (a) After these amendments are enacted, the scope of Korean Postal Authority's letter-posts will be clearer through the redefinition of its concept, and the exceptions to the letter-posts monopoly will be extended based on objective standards such as weight, price or a combination thereof.
- (b) In determining the nature and extent of such amendments, Korea will consider various factors, including domestic market conditions, the experience of other countries with postal liberalisation, and the need to ensure universal service. Korea plans to implement these amendments within the next three years from the date of signature of this Agreement.

In applying these reformed criteria Korea will provide non-discriminatory opportunities to all the postal and express delivery service suppliers in Korea.”²

Korea and the UK acknowledge that Korea has completed the abovementioned steps for its postal reform plan.

¹ This Understanding is non-binding and not subject to Chapter Fourteen (Dispute Settlement).

² The text in quotation marks is taken directly from the Korea-EU FTA. The inclusion of this text in this Agreement does not create a new obligation on Korea to reform its postal system.