

The Government of the Republic of Korea (Korea) and the Government of the United States of America (United States) (the Parties):

Recognizing their longstanding and strong partnership, and desiring to strengthen their close economic relations;

Convinced that a free trade area will create an expanded and secure market for goods and services in their territories and a stable and predictable environment for investment, thus enhancing the competitiveness of their firms in global markets;

Desiring to raise living standards, promote economic growth and stability, create new employment opportunities, and improve the general welfare in their territories by liberalizing and expanding trade and investment between their territories;

Seeking to establish clear and mutually advantageous rules governing their trade and investment and to reduce or eliminate the barriers to trade and investment between their territories;

Agreeing that foreign investors are not hereby accorded greater substantive rights with respect to investment protections than domestic investors under domestic law where, as in the United States, protections of investor rights under domestic law equal or exceed those set forth in this Agreement;

Resolved to contribute to the harmonious development and expansion of world trade by removing obstacles to trade through the creation of a free trade area and to avoid creating new barriers to trade or investment between their territories that could reduce the benefits of this Agreement;

Desiring to strengthen the development and enforcement of labor and environmental laws and policies, promote basic workers' rights and sustainable development, and implement this Agreement in a manner consistent with environmental protection and conservation;

Building on their respective rights and obligations under the *Marrakesh Agreement Establishing the World Trade Organization* and other multilateral, regional, and bilateral agreements and arrangements to which they are both parties; and

Committed to furthering their economic leadership in the Asia Pacific region, in particular by seeking to reduce barriers to trade and investment in the region;

HAVE AGREED as follows: