2. Chapter Fifteen (Institutional, General and Final Provisions) is hereby amended as follows:

Amendments to Chapter Fifteen (Institutional, General and Final Provisions)

[1]. Article 15.1.2 is hereby replaced with the following:

> “2. Unless the Parties otherwise decide, the Trade Committee shall meet once a year at the request of either Party. The Trade Committee shall be co-chaired by the Minister for Trade of Korea and the Secretary of State for Business, Innovation, Science and Trade of the United Kingdom, or their respective designees. The Trade Committee shall agree on its meeting schedule and set its agenda. The Trade Committee may meet in person in the territory of each Party alternately or virtually.”

[2]. Article 15.2.1 is hereby replaced with the following:

> “1. The following specialised committees are hereby established under the auspices of the Trade Committee:
>
> (a) the Committee on Trade in Goods in accordance with Article 2.21 (Committee on Trade in Goods);
>
> (b) the Committee on Sanitary and Phytosanitary Measures in accordance with Article 5.17 (SPS Committee);
>
> (c) the Customs Committee in accordance with Article 6.19 (Customs Committee);
>
> (d) the Committee on Services and Investment in accordance with Article 7A.11 (Committee on Services and Investment);
>
> (e) the Innovation Committee in accordance with Article 11A.4 (Functions of the Innovation Committee);
>
> (f) the Committee on Supply Chain Resilience in accordance with Article 11B.6 (Supply Chain Resilience Committee);
>
> (g) the Committee on Trade and Sustainable Development in accordance with Article 13.20 (Institutional Mechanism); and
>
> (h) the Committee on Trade and Gender Equality in accordance with Article 13A.4 (Committee on Trade and Gender Equality).
>
> The remit and tasks of the specialised committees established are defined in the relevant chapters of this Agreement.”

[3]. Article 15.2.3 is hereby replaced with the following:

"3. Unless otherwise provided for in this Agreement, the specialised committees shall meet as the Parties may decide or at the request of either Party or of the Trade Committee. The specialised committees shall meet at an appropriate level and shall be co-chaired by representatives of Korea and the United Kingdom. The specialised committees shall agree on their meeting schedule and set their agenda. The specialised committees may meet in person or virtually."

[4]. Article 15.2.4 is hereby replaced with the following:

"4. The specialised committees shall report to the Trade Committee on their activities at each regular meeting of the Trade Committee. The creation or existence of a specialised committee shall not prevent either Party from bringing any matter directly to the Trade Committee."

[5]. Article 15.3.1 is hereby replaced with the following:

"1. The following working groups are hereby established under the auspices of the Trade Committee:

(a) the Working Group on Motor Vehicles and Parts in accordance with Article 9.2 (Working Group on Motor Vehicles and Parts) of Annex 2-C (Motor Vehicles and Parts);

(b) the Working Group on Pharmaceutical Products and Medical Devices in accordance with Article 5.4 (Regulatory Cooperation) of Annex 2-D (Pharmaceutical Products and Medical Devices);

(c) the Working Group on Chemicals in accordance with paragraph 4 of Annex 2-E (Chemicals);

(d) the Working Group on Trade Remedy Cooperation in accordance with Article 3.16 (Working Group on Trade Remedy Cooperation);

(e) the Joint Working Group on Animal Welfare in accordance with Article 5.15 (Animal Welfare);

(f) the Financial Services Working Group in accordance with Article 7D.18 (Institutional);

(g) the Working Group on Government Procurement in accordance with Article 9.8 (Government Procurement Working Group);

(h) the Working Group on Geographical Indications in accordance with Article 10.24 (Working Group on Geographical Indications); and

(i) the Working Group on Anti-Corruption in accordance with Article 12A.9 (Institutional Arrangements)."

[6]. Article 15.3.3 is hereby replaced with the following:

"3. Unless otherwise provided for in this Agreement, working groups shall meet as the Parties may decide or at the request of either Party or of the Trade Committee. The working groups shall meet at an appropriate level and shall be co-chaired by representatives of Korea and the United Kingdom. Working groups shall agree on their meeting schedule and set their agenda. Working groups may meet in person or virtually."

[7]. Article 15.3.4 is hereby replaced with the following:

"4. Working groups shall report to the Trade Committee on their activities at each regular meeting of the Trade Committee. The creation or existence of a working group shall not prevent either Party from bringing any matter directly to a specialised committee or the Trade Committee."

[8]. Article 15.7 (Taxation) is hereby replaced with the following:

"ARTICLE 15.7

Taxation Measures

1. For the purposes of this Article:

Category A taxes means all taxation measures other than direct taxes;

Category B taxes means direct taxes other than taxes on estates, inheritances, and gifts;

competent authorities means:

(a) for Korea, the Deputy Minister for Tax and Customs, Ministry of Economy and Finance, or their successor; and

(b) for the United Kingdom, the Commissioners for Revenue and Customs, or their authorised representative or their successor;

direct taxes means direct taxes as defined in Article XXVIII(o) of GATS;

tax convention means a convention for the avoidance of double taxation, or any other international taxation agreement or arrangement; and

taxes and **taxation measures** include excise duties, but do not include:

(a) a customs duty as defined in Article 2.3 (Definitions);

(b) a duty imposed under a Party's law consistently with Chapter Three (Trade Remedies);

(c) a fee or other charge imposed under a Party's law consistently with Article 2.16 (Fees and Other Charges on Imports or Exports); or

(d) a duty imposed under a Party's law consistently with Article 5 of the *Agreement on Agriculture*.

2. Except as provided in this Article, nothing in this Agreement applies to taxation measures.

3. The following provisions apply to taxation measures:

(a) Article 2.12 (National Treatment), and those other provisions of this Agreement necessary to give effect to that Article, to the same extent as does Article III of GATT 1994 (including its interpretative notes);

(b) Article 2.17 (Duties, Taxes or Other Fees and Charges on Exports); and

(c) Article 7B.9 (Expropriation and Compensation). However, no investor may invoke Article 7B.9 (Expropriation and Compensation) as the basis for a claim if it has been determined pursuant to this paragraph that the measure is not an expropriation. An investor that seeks to invoke Article 7B.9 (Expropriation and Compensation) with respect to a taxation measure must first refer to the competent authorities of the Party of the investor and the respondent Party, at the time that it gives its notice of intent under Article 7B.21 (Submission of a Claim to Arbitration), the issue of whether that taxation measure is not an expropriation. If the competent authorities do not agree to consider the issue or having agreed to consider it, fail to agree that the measure is not an expropriation within a period of six months of the referral, the investor may submit its claim to arbitration under Article 7B.21 (Submission of a Claim to Arbitration)].

4. In addition to the provisions mentioned in paragraph 3, the following provisions apply to Category A taxes:

(a) Article 7A.3 (National Treatment);

(b) Article 7A.4 (Most Favoured Nation Treatment);

(c) Article 7D.3 (National Treatment);

(d) Article 7B.5 (National Treatment); and

(e) Article 7B.6 (Most Favoured Nation Treatment.

5. In addition to the provisions mentioned in paragraph 3, the following provisions apply to Category B taxes that relate to the purchase or consumption of particular services:

(a) Article 7A.3 (National Treatment); and

(b) Article 7D.3 (National Treatment),

except that nothing in this paragraph prevents a Party from conditioning the receipt or continued receipt of an advantage that relates to the purchase or consumption of particular services on requirements to provide the service in its territory.

6. Nothing in the provisions referred to in paragraphs 4 or 5 applies to:

(a) a non-conforming provision of any existing taxation measure;

(b) the continuation or prompt renewal of a non-conforming provision of any existing taxation measure;

(c) an amendment to an existing non-conforming taxation measure;

(d) the adoption or enforcement of any new taxation measure aimed at ensuring the equitable or effective imposition or collection of taxes, including any taxation measure that differentiates between persons based on their place of residence for tax purposes, provided that the taxation measure does not arbitrarily discriminate between persons, goods, or services of the Parties[1];

(e) a provision that conditions the receipt or continued receipt of an advantage relating to the contributions to, or income of, a pension trust, pension plan, superannuation fund or other arrangement to provide pension, superannuation or similar benefits, on a requirement that the Party maintain continuous jurisdiction, regulation or supervision over that trust, plan, fund or other arrangement.

7. Nothing in this Agreement affects the rights and obligations of the Parties under a tax convention. In the event of an inconsistency between this Agreement and a tax convention, the tax convention prevails to the extent of the inconsistency.

8. In the case of a tax convention between the Parties, if an issue arises as to whether an inconsistency exists between this Agreement and the tax convention, the issue shall be referred by the Parties to the competent authorities. The competent authorities under that convention have sole responsibility for determining whether any inconsistency exists between this Agreement and that convention.

9. Nothing in this Agreement obliges a Party to apply a most-favoured-nation obligation in this Agreement with respect to an advantage accorded by a Party pursuant to a tax convention."

[1] The Parties understand that this subparagraph must be interpreted by reference to the footnote to Article XIV(d) of GATS as if the Article was not restricted to services or direct taxes.

[9]. Article 15.8 (Balance-of-Payment Exceptions) is hereby replaced with the following:

"ARTICLE 15.8

Measures to Safeguard the Balance of Payments

1. Nothing in this Agreement prevents a Party from adopting or maintaining restrictive measures with regard to payments or transfers related to investment, including those relating to the movements of capital:

(a) in the event of serious balance-of-payments and external financial difficulties or threats thereof; or

(b) if, in exceptional circumstances, payments or transfers relating to movements of capital cause or threaten to cause serious difficulties for macroeconomic management.

2. Each Party shall ensure that a restrictive measure adopted or maintained under paragraph 1:

(a) is applied on a national treatment basis and such that the other Party is treated no less favourably than any non-party;

(b) is consistent with the *Articles of Agreement of the International Monetary Fund* (hereinafter referred to as the "IMF");

(c) avoids unnecessary damage to the commercial, economic, and financial interests of the other Party;

(d) is no more restrictive than necessary to deal with the circumstances described in paragraph 1;

(e) is temporary and phased out progressively as the situation specified in paragraph 1 improves;

(f) is not used to avoid necessary macroeconomic adjustment;

(g) is in effect for period not to exceed one year; however, if a Party seeks to extend such measures, the Party will consult in advance with the other Party concerning the implementation of any proposed extension;

(h) be consistent with Article 7B.9 (Expropriation and Compensation)[2];

(i) does not constitute a dual or multiple exchange rate practice;

[2] For greater certainty, measures referred to in paragraph 1 may be non-discriminatory regulatory measures that a Party adopts for public interest reasons as referred to in Article 7B.9 (Expropriation and Compensation).

(j) does not restrict payments or transfers for current transactions, unless the imposition of such measures complies with the procedures stipulated in the *Articles of Agreement* of the IMF.

3. In the case of trade in goods, nothing in this Agreement prevents a Party from adopting and maintaining restrictive import measures in order to safeguard its external financial position or balance of payments, provided that those measures are in accordance with GATT 1994 and the *Understanding on the Balance of Payments Provisions of the General Agreement on Tariffs and Trade 1994*.

4. In the case of trade in services, nothing in this Agreement prevents a Party from adopting restrictive measures in order to safeguard its external financial position or balance of payments, provided that those measures are in accordance with the conditions established in the WTO Agreement.

5. A Party adopting, maintaining, or changing a restrictive measure under this Article shall notify the other Party. A notification must:

(a) include a rationale for adopting, maintaining, or changing the measure; and

(b) be made no later than:

(i) in the case of the adoption of, or change to, a measure, 30 days after the date of the adoption or change; or

(ii) in the case of the maintenance of a measure, 30 days after the entry into force of the Upgrade Protocol.

6. A Party adopting or maintaining a restrictive measure under this Article shall promptly commence consultations with the other Party in order to review that measure or any extension thereof, unless consultations are held in another forum.

7. A consultation pursuant to paragraph 6 shall assess the balance-of-payments and external financial difficulties that led to the adoption or maintenance of the restrictive measures and address the compliance of any restrictive measures, taking into account, *inter alia*, such factors as:

(a) the nature and extent of the balance-of-payments and the external financial difficulties;

(b) the external economic and trading environment; and

(c) alternative corrective measures which may be available.

The consultation shall address the compliance of any restrictive measures with this Article. The Parties shall accept all findings of statistical and other facts presented by the IMF relating to foreign exchange, monetary reserves, or balance-of-payments, and their conclusions shall be based on the assessment by the IMF of the balance-of-payments and external financial situation of the Party concerned."

[10]. Article 15.8*bis* (General Exceptions) is hereby inserted between Article 15.8 (Balance-of-Payments Exceptions) and Article 15.9 (Security Exceptions):

"ARTICLE 15.8*bis*

General Exceptions

1. For the purposes of Chapter Two (National Treatment and Market Access for Goods), Chapter Four (Technical Barriers to Trade), Chapter Five (Sanitary and Phytosanitary Measures), Chapter Six (Customs and Trade Facilitation), Chapter Seven-F (Digital Trade), and Chapter Two-A (Rules of Origin and Origin Procedures), Article XX of GATT 1994 and its interpretative notes is incorporated into and made part of this Agreement, *mutatis mutandis*.

2. For the purposes of Chapter Seven-A (Cross-Border Trade in Services), Chapter Seven-C (Entry and Temporary Stay of Business Persons), Chapter Seven-D (Financial Services), Chapter Seven-E (Telecommunications), and Chapter Seven-F (Digital Trade), paragraphs (a), (b) and (c) of Article XIV of GATS including its footnotes are incorporated into and made part of this Agreement, *mutatis mutandis*.

3. The Parties understand:

(a) that the measures referred to in Article XX(b) of GATT 1994 and Article XIV(b) of GATS include environmental measures necessary to protect human, animal or plant life or health;

(b) that the measures referred to in Article XX(g) of GATT 1994 include measures relating to the conservation of living and non-living exhaustible natural resources.

4. Nothing in this Agreement shall be construed to prevent a Party from implementing a suspension of obligations, including maintaining or increasing a customs duty, that is authorised by the Dispute Settlement Body of the WTO or is taken as a result of a decision by a dispute settlement panel under a free trade agreement to which both Parties are party."

[11]. Article 15.9 (Security Exceptions) is hereby replaced with the following:

"ARTICLE 15.9

Security Exceptions

Nothing in this Agreement shall be construed:

(a) to require a Party to furnish or allow access to any information, the disclosure of which it considers contrary to its essential security interests;

(b) to prevent a Party from taking any action that it considers necessary for the protection of its essential security interests:

(i) connected to the production of or traffic in arms, ammunition, or implements of war; or to other economic activities, including the production of or traffic or transactions in other goods, materials, services, or technology, that are carried out directly or indirectly for the purpose of supplying a military establishment;

(ii) relating to fissionable and fusionable materials or the materials from which they are derived;

(iii) taken in time of war or other emergency in international relations; or

(iv) that is not taken in a manner that would constitute a means of arbitrary or unjustifiable discrimination between countries where like conditions prevail, or a disguised restriction on trade or investment; or

(c) to prevent a Party from taking any action in its obligations under the *United Nations Charter* for the maintenance of international peace and security."

[12]. Articles 15.9*bis* (Disclosure of Information) and 15.9*ter* (The National Health Service of the United Kingdom and the Human Health Services of Korea) are hereby inserted following Article 15.9 (Security Exceptions):

"ARTICLE 15.9*bis*

Disclosure of Information

1. Nothing in this Agreement requires a Party to furnish or allow access to information, the disclosure of which would be contrary to its domestic law or would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private.

2. Unless otherwise provided in this Agreement, where a Party provides information to the other Party in accordance with this Agreement and designates the information as confidential, the Party receiving the information shall maintain the confidentiality of the information, and not disclose it without specific written permission of the Party providing the information, except where the disclosure of information is necessary to comply with the domestic law of a Party.

ARTICLE 15.9*ter*

The National Health Service of the United Kingdom and the Human Health Services of Korea

The Parties recall the exclusions, exceptions, and the relevant provisions in this Agreement that are applicable to the National Health Service of the United Kingdom[3] and the Human Health Services of Korea including as set out in this Chapter, Chapter Seven-A (Cross-Border Trade in Services), Chapter Seven-B (Investment), Chapter Nine (Government Procurement), Annex 9-B (Market Access Commitments Beyond the GPA), Chapter Ten (Intellectual Property), Annex I (Existing Non-Conforming Measures for Cross-Border Trade in Services and Investment), Annex II (Future Non-Conforming Measures for Cross-Border Trade in Services and Investment)."

[13]. Article 15.14 (Relation with Other Agreements) is hereby replaced with the following:

"ARTICLE 15.14

Relation to Other Agreements

1. The Parties reaffirm their existing rights and obligations with respect to each other under agreements to which both Parties are party, including the WTO Agreement.

2. Unless otherwise provided in this Agreement, in the event of any inconsistency between this Agreement and any agreement to which both Parties are party, the Parties shall, on request, consult with a view to reaching a mutually satisfactory solution. This paragraph is without prejudice to a Party's rights and obligations under Chapter Fourteen (Dispute Settlement) and Annex 14-A (Mediation Mechanism for Non-Tariff Measures).

3. For as long as the *Windsor Framework*[4] is in force,[5] nothing in this Agreement shall preclude the United Kingdom from adopting or maintaining measures, or refraining from doing so, further to the *Windsor Framework*, and amendments thereto and subsequent agreements replacing parts thereof, provided that such measures, or the absence of such measures, are not used as a means of arbitrary or unjustified discrimination against the other Party or as a disguised restriction on trade.

[3] For greater certainty, the National Health Service of the United Kingdom includes the National Health Service in England, Scotland, Wales, and Health and Social Care in Northern Ireland.

[4] The *Windsor Framework* has the same meaning as set out in *Joint Declaration No 1/2023 of the Union and the United Kingdom in the Joint Committee established by the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community* of 24 March 2023.

[5] The Parties note in particular that arrangements for democratic consent specified at Article 18 of the *Windsor Framework* may result in Articles 5 to 10, and other provisions of the *Windsor Framework* dependent on the same Articles for their application, ceasing to apply to the United Kingdom in accordance with the arrangements specified at Article 18.

4. On request of either Party, the Parties shall hold consultations, in relation to the effects of a measure described in paragraph 3 which the United Kingdom has adopted, or absence thereof,[6] on this Agreement and seek a mutually acceptable solution.[7]"

[14]. Article 15.15 (Territorial Application) is hereby replaced with the following:

"ARTICLE 15.15

Territorial Application

1. This Agreement shall apply:

(a) in respect of the United Kingdom, to:

(i) the territory of the United Kingdom of Great Britain and Northern Ireland including its territorial sea and airspace;

(ii) all the areas adjacent to the territorial sea of the United Kingdom, including the seabed and subsoil of those areas, over which the United Kingdom may exercise sovereign rights or jurisdiction in accordance with international law;

(iii) the Bailiwick of Guernsey, the Bailiwick of Jersey, and the Isle of Man (including the airspace and the territorial sea adjacent to them), territories for whose international relations the United Kingdom is responsible, as regards:

(A) Chapter Two (National Treatment and Market Access for Goods);

(B) Chapter Two-A (Rules of Origin and Origin Procedures);

(C) Chapter Five (Sanitary and Phytosanitary Measures);

(D) Chapter Six (Customs and Trade Facilitation);

(E) Chapter Seven-B (Investment), except for:

(a) Article 7B.4 (Market Access); and

(b) Article 7B.5 (National Treatment) and Article 7B.6 (Most Favoured Nation Treatment) with respect to the establishment,

[6] For greater certainty, this refers to a measure described in paragraph 3 which is adopted after entry into force of the Upgrade Protocol or the absence of such measure.
[7] This paragraph is without prejudice to Article 12.4 (Enquiries and Contact Points).

acquisition, expansion by an investor of the other Party or a covered investment;]

(b) in respect of Korea, the land, maritime, and airspace over which Korea exercises sovereignty, and those maritime areas, including the seabed and subsoil, adjacent to and beyond the outer limit of the territorial seas over which it may exercise sovereign rights or jurisdiction, in accordance with international law and its domestic law.

2. References to 'territory' shall be understood in accordance with paragraph 1, unless explicitly stated otherwise."

[15]. Articles 15.15*bis* (Territorial Extension) and 15.15*ter* (Territorial Disapplication) are hereby inserted following Article 15.15 (Territorial Application):

"ARTICLE 15.15*bis*

Territorial Extension

At the date of entry into force of the Upgrade Protocol or any time thereafter, this Agreement or specific chapters thereof may be extended to those territories for whose international relations the United Kingdom is responsible, as the Parties may agree in writing.

ARTICLE 15.15*ter*

Territorial Disapplication

At any time after entry into force of the Upgrade Protocol, the United Kingdom may give written notice to Korea that this Agreement or specific chapters thereof shall no longer apply to a territory for whose international relations the United Kingdom is responsible. This disapplication shall take effect 6 months after the date on which the United Kingdom has provided written notice to Korea, or on such other date as the Parties may agree."