



MINISTER FOR TRADE
MINISTRY OF FOREIGN AFFAIRS AND TRADE
SEOUL, KOREA

October 30, 2011

The Honorable Ron Kirk
United States Trade Representative
Washington, D.C.

Dear Ambassador Kirk,

Given the important role “small and medium sized enterprises” (SMEs) play in both of our economies in terms of promoting economic growth, job creation and innovation, it is in the mutual interest of both of our countries to work together to more effectively address the issues affecting SMEs in the implementation phase of the Korea-U.S. Free Trade Agreement (KORUS).

To that end, the Republic of Korea and the United States (“the Parties”) will establish a Working Group on SMEs upon entry into force of the KORUS, comprising representatives of our respective Governments.

The Working Group will: (1) analyze and evaluate the impact of the implementation of the KORUS on production, distribution and trade by SMEs¹; (2) explore and develop ways for SMEs to take greater advantage of the economic opportunities created by the KORUS; (3) address any specific issues affecting SMEs relating to the provisions of the Agreement raised by either Party; and (4) consider any other matter pertaining to SMEs as the Working Group deems appropriate. As with other committees, bodies, and working groups established under the KORUS, the Working Group will be supervised by the Joint Committee and otherwise be subject to applicable provisions set out in the KORUS Article 22.2.

The Working Group will hold its first meeting within 90 days of entry into force of the KORUS and meet on an annual basis thereafter, unless both Parties agree otherwise. Within one year of its first meeting, the Working Group will present the outcome of its work with recommendations, as appropriate, to the Joint Committee for its consideration.

I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an agreement between our Governments.

Sincerely,

Jong-Hoon Kim

¹ For purposes of the Working Group, SMEs include any type of business that is defined or treated as such under the relevant domestic laws, regulations or government-established criteria of either Party.