(Korea's Proposing Note)

Seoul, 22 December 2021

Excellency,

I have the honour to refer to the Free Trade Agreement between the Government of the Republic of Korea and the Government of the Socialist Republic of Viet Nam (hereinafter referred to as the "Agreement") signed in Ha Noi on May 5, 2015.

I have further the honour to propose, on behalf of the Government of the Republic of Korea, based on the understanding reached between the two Governments in relation to Annex 3-A (Product Specific Rules) of the Agreement and in accordance with Article 17.5 of the Agreement, that the existing Annex 3-A (Product Specific Rules) of the Agreement based on the Harmonized System (HS) of 2012 shall be replaced by an amended Annex 3-A (Product Specific Rules) which is based on the Harmonized System (HS) of 2017 and contains revised Applicable Product Specific Rules of Origin of Articles of apparel and clothing accessories (Headings 61.01 - 61.17, 62.01 - 62.12, 62.15 - 62.17), as set out in the attachment to this Note.

If the above proposal is acceptable to the Government of the Socialist Republic of Viet Nam, I have the honour to propose that this Note and its attachment, together with Your Excellency's Note in reply indicating acceptance and its attachment, shall constitute an agreement between the Government of the Republic of Korea and the Government of the Socialist Republic of Viet Nam, which shall form an integral part of the Agreement and shall enter into force on the first day of the third month following the date of the later written notification certifying the completion of the necessary domestic legal procedures, in accordance with Article 17.5 of the Agreement. This Note is done in the English language. The attachment to this Note is done in the Korean, Vietnamese and English languages, each of these texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

Moon Sungwook
Minister of Trade, Industry and Energy
of the Republic of Korea

Nguyen Hong Dien
Minister of Industry and Trade
of the Socialist Republic of Viet Nam

Attachment:
Amended Annex 3-A of the Agreement (Korean)
Amended Annex 3-A of the Agreement (Vietnamese)
Amended Annex 3-A of the Agreement (English)

ANNEX 3-A

PRODUCT SPECIFIC RULES

Headnote

1. The Product Specific Rules in this Annex are structured on the basis of the Harmonized System 2017. In the event of any inconsistency between this description and the description set out in the legal text of the Harmonized System established by the World Customs Organization, the description set out in the latter shall prevail.

2. The specific rule of origin, or specific set of rules of origin, that applies to a particular subheading, is set out immediately adjacent to the subheading.

3. When a subheading is subject to alternative specific rules of origin, the rule will be considered to be met if a good satisfies one of the alternatives.

4. Where a specific rule of origin is defined using the criterion of a change in tariff classification, each of the non-originating materials used in the production of the good shall be required to undergo the applicable change in tariff classification. A requirement of a change in tariff classification shall apply only to non-originating materials.

5. Where a specific rule of origin is defined using the criterion of a change in tariff classification, and the rule is written to exclude tariff provisions at the level of a chapter, heading or subheading of the Harmonized System, each Party shall construe the rule of origin to require that materials classified in those excluded provisions be originating for the good to qualify as originating.

6. For the purposes of this Annex:

chapter means the first two digits of the tariff classification number under the Harmonized System;

heading means the first four digits of the tariff classification number under the Harmonized System; and

subheading means the first six digits of the tariff classification number under the Harmonized System.

7. For the purposes of column 5 of this Annex:

CC means that all non-originating materials used in the production of the good have undergone a change in tariff classification at the two-digit level;

CTH means that all non-originating materials used in the production of the good have undergone a change in tariff classification at the four-digit level;

CTSH means that all non-originating materials used in the production of the good have undergone a change in tariff classification at the six-digit level;

RVC(XX) means that the good must have a regional value content of not less than XX percent as calculated under Article 3.3; and

WO means that the good must be wholly produced or obtained in accordance with Article 3.2.

MINISTRY OF INDUSTRY AND TRADE
THE SOCIALIST REPUBLIC OF VIETNAM

(Viet Nam's Note in Reply)

Seoul, 22 December 2021

Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note dated 22 December 2021, which reads as follows:

"Excellency,

I have the honour to refer to the Free Trade Agreement between the Government of the Republic of Korea and the Government of the Socialist Republic of Viet Nam (hereinafter referred to as the "Agreement") signed in Ha Noi on May 5, 2015.

I have further the honour to propose, on behalf of the Government of the Republic of Korea, based on the understanding reached between the two Governments in relation to Annex 3-A (Product Specific Rules) of the Agreement and in accordance with Article 17.5 of the Agreement, that the existing Annex 3-A (Product Specific Rules) of the Agreement based on the Harmonized System (HS) of 2012 shall be replaced by an amended Annex 3-A (Product Specific Rules) which is based on the Harmonized System (HS) of 2017 and contains revised Applicable Product Specific Rules of Origin of Articles of apparel and clothing accessories (Headings 61.01 - 61.17, 62.01 - 62.12, 62.15 - 62.17), as set out in the attachment to this Note.

If the above proposal is acceptable to the Government of the Socialist Republic of Viet Nam, I have the honour to propose that this Note and its attachment, together with Your Excellency's Note in reply indicating acceptance and its attachment, shall constitute an agreement between the Government of the Republic of Korea and the Government of the Socialist Republic of Viet Nam, which shall form an integral part of the Agreement and shall enter into force on the first day of the third month following the date of the later written notification certifying the completion of the necessary domestic legal procedures, in accordance with Article 17.5 of the Agreement. This Note is done in the English language. The attachment to this Note is done in the Korean, Vietnamese and English languages, each of these texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

MINISTRY OF INDUSTRY AND TRADE
THE SOCIALIST REPUBLIC OF VIETNAM

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration."

I have the honour to confirm, on behalf of the Government of the Socialist Republic of Viet Nam, that the proposal contained in Your Excellency's Note is acceptable to the Government of the Socialist Republic of Viet Nam and that Your Excellency's Note, together with its attachment, and this Note in reply, together with its attachment, shall constitute an agreement between our two Governments which shall form an integral part of the Agreement and shall enter into force on the first day of the third month following the date of the later written notification certifying the completion of the necessary domestic legal procedures, in accordance with Article 17.5 of the Agreement. This Note is done in the English language. The attachment to this Note is done in the Vietnamese, Korean and English languages, each of these texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

Nguyen Hong Dien
Minister of Industry and Trade
of the Socialist Republic of Viet Nam

Moon Sungwook
Minister of Trade, Industry and Energy
of the Republic of Korea

Attachment:
Amended Annex 3-A of the Agreement (Vietnamese)
Amended Annex 3-A of the Agreement (Korean)
Amended Annex 3-A of the Agreement (English)

ANNEX 3-A

PRODUCT SPECIFIC RULES

Headnote

1. The Product Specific Rules in this Annex are structured on the basis of the Harmonized System 2017. In the event of any inconsistency between this description and the description set out in the legal text of the Harmonized System established by the World Customs Organization, the description set out in the latter shall prevail.

2. The specific rule of origin, or specific set of rules of origin, that applies to a particular subheading, is set out immediately adjacent to the subheading.

3. When a subheading is subject to alternative specific rules of origin, the rule will be considered to be met if a good satisfies one of the alternatives.

4. Where a specific rule of origin is defined using the criterion of a change in tariff classification, each of the non-originating materials used in the production of the good shall be required to undergo the applicable change in tariff classification. A requirement of a change in tariff classification shall apply only to non-originating materials.

5. Where a specific rule of origin is defined using the criterion of a change in tariff classification, and the rule is written to exclude tariff provisions at the level of a chapter, heading or subheading of the Harmonized System, each Party shall construe the rule of origin to require that materials classified in those excluded provisions be originating for the good to qualify as originating.

6. For the purposes of this Annex:

chapter means the first two digits of the tariff classification number under the Harmonized System;

heading means the first four digits of the tariff classification number under the Harmonized System; and

subheading means the first six digits of the tariff classification number under the Harmonized System.

7. For the purposes of column 5 of this Annex:

CC means that all non-originating materials used in the production of the good have undergone a change in tariff classification at the two-digit level;

CTH means that all non-originating materials used in the production of the good have undergone a change in tariff classification at the four-digit level;

CTSH means that all non-originating materials used in the production of the good have undergone a change in tariff classification at the six-digit level;

RVC(XX) means that the good must have a regional value content of not less than XX percent as calculated under Article 3.3; and

WO means that the good must be wholly produced or obtained in accordance with Article 3.2.