

**MEMORANDUM OF UNDERSTANDING ON
ESTABLISHING THE ASEAN-KOREA CENTRE
BETWEEN THE MEMBER
COUNTRIES OF THE ASSOCIATION OF SOUTHEAST
ASIAN NATIONS AND THE REPUBLIC OF KOREA**

The Member Countries of the Association of Southeast Asian Nations (hereinafter referred to as the "ASEAN Member Countries") comprising Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam and the Republic of Korea (hereinafter referred to as the "ROK");

ACKNOWLEDGING the strong bond between the ASEAN Member Countries and the ROK, accelerated by the Dialogue Partnership since 1989 and by the Comprehensive Partnership declared on 30 November 2004 in Vientiane, Lao People's Democratic Republic;

NOTING the Framework Agreement on Comprehensive Economic Cooperation Among the Governments of the Member Countries of the Association of Southeast Asian Nations and the Republic of Korea done in Kuala Lumpur, Malaysia, which called on the parties to cooperate in promoting trade and investment through measures including a feasibility study on the establishment of an ASEAN-Korea Centre;

REITERATING their commitment to the establishment of a Centre to promote ASEAN-ROK economic and socio-cultural relations, which was endorsed at the Tenth ASEAN-ROK Summit of 14 January 2007 in Cebu, the Philippines;

RECOGNIZING that an increase in trade volume and investment flow between the ASEAN Member Countries and the ROK will be mutually beneficial;

SHARING the view that the promotion of mutual understanding through people-to-people contact and cultural exchange is of vital importance;

HAVE AGREED AS FOLLOWS:

ARTICLE 1

Establishment and Location

1. The ASEAN Member Countries and the ROK hereby establish an institution known as the ASEAN-Korea Centre (hereinafter referred to as "the Centre"). In the Korean language, the Centre shall be referred to as the "한-아세안 센터."

2. The headquarters of the Centre shall be located in Seoul. Its affiliate centres may be established in ASEAN Member Countries as well as other parts of the ROK in the future.

ARTICLE 2

Purpose

The purpose of the Centre is to increase trade volume, accelerate investment flow, invigorate tourism, and enrich cultural exchanges between the ASEAN Member Countries and the ROK.

ARTICLE 3

Membership

The ASEAN Member Countries and the ROK shall become Members of the Centre (referred to in this Memorandum of Understanding (MOU) as "Centre Members") by becoming parties to this MOU in accordance with Article 25.

ARTICLE 4

Activities

To achieve its purpose, the Centre shall undertake the following activities:

- (a) to introduce, publicize and promote in the ROK, business opportunities and tourism resources available in ASEAN Member Countries;
- (b) to promote trade and investment linkages and facilitate business opportunities between ASEAN and the ROK, especially assisting investors and companies seeking local business partners in the ROK;
- (c) to serve as a channel for useful exchanges of information relevant to the enhancement of trade, investment, tourism and cultural exchanges between the ASEAN Member Countries and the ROK;
- (d) to conduct research and studies on trade, investment, tourism and culture;
- (e) to provide Centre Members, as well as related organizations and persons where appropriate,

with information on trade, investment, tourism, and cultural exchanges, including results of the research and studies mentioned in subparagraph (d);

- (f) to hold appropriate events serving the purpose of the Centre, including seminars or workshops, trade fairs and exhibitions and promotion of investment relations;
- (g) to facilitate, where necessary, technical cooperation including the transfer of technology related to trade, investment, tourism and cultural exchanges;
- (h) to maintain close cooperation in the fields of trade, investment and tourism with the Governments of the Centre Members and relevant regional and international organizations;
- (i) to undertake other activities as may be deemed necessary to achieve the purpose of the Centre; and
- (j) to support initiatives and programs related to narrowing the development gap in ASEAN.

ARTICLE 5

Organization

1. The Centre shall consist of a Council, an Executive Board and a Secretariat.
2. The Centre may establish an advisory body by approval of the Council.

ARTICLE 6

Council

1. The Council shall consist of Directors. Each Centre Member shall appoint one Director who shall represent such Centre Member on the Council.
2. The Council shall designate one of the Directors as Chairperson. The Chairperson shall hold office for a term of one year.
3. The Chairperson of the Council and the Secretary General shall not be nationals of the same Centre Member.
4. The Council shall be the supreme organ of the Centre and shall exercise, in addition to the powers and functions specified in other provisions of this MOU, the powers and functions to:
 - (a) decide on the plan of operation and work program concerning the operation of the Centre;
 - (b) approve the annual work program and the budget of revenues and expenditures of the Centre within the framework of the plan of operation and work program;
 - (c) approve the annual report on the operation of the Centre;
 - (d) appoint the Secretary General in accordance with the Annex of this MOU ;

- (e) approve the terms and conditions for the appointment of the Secretary General;
- (f) assign special functions to the Chairperson;
- (g) determine the powers and functions to be entrusted to the Executive Board;
- (h) approve the acceptance of assistance referred to in Article 10, Paragraph 5;
- (i) consider and adopt amendments to this MOU in accordance with the provisions of Article 24, Paragraphs 1 and 2;
- (j) decide on the disposal of the property and assets of the Centre in the case of the dissolution of the Centre, and on any other matters connected with the dissolution;
- (k) adopt its own rules of procedures; and
- (l) decide on and/or approve other important matters concerning the Centre.

5. The Council shall hold an annual meeting and such other meetings as may be decided by the Council. The Council shall also hold a meeting whenever called by the Secretary General with the approval of the Chairperson of the Council or at the request of a majority of the Directors.

6. All the decisions of the Council shall be made by consensus.

ARTICLE 7

Executive Board

1. The Executive Board shall consist of representatives appointed by Centre Members. Each Centre Member shall appoint one representative. The representatives shall hold office for a renewable term of three years and, where necessary, can be substituted by the diplomats of the respective ASEAN Member Countries in the ROK.
2. The Executive Board shall elect its own Chairperson. The Chairperson shall hold office for a term of three years.
3. In order to ensure the effective operation of the Centre, the Executive Board shall supervise the activities of the Secretariat so that the decisions of the Council are effectively implemented and shall exercise, in addition to the powers and functions specified in other provisions of this MOU, such powers and functions as may be entrusted to it by the Council. The Executive Board may advise the Secretary General as it may deem necessary.
4. The Executive Board shall report to the Council.
5. The Executive Board shall convene at least once a year.
6. The Executive Board may establish, when necessary, ad-hoc committees on matters in various fields which fall within the purview of its powers and functions.
7. All the decisions of the Executive Board shall be made by consensus.

ARTICLE 8

Secretariat

1. The Secretariat shall consist of a Secretary General and staff who are nationals of the Centre Members.
2. The Secretary General shall represent the Centre as its chief executive and shall be responsible to the Council and the Executive Board.
3. The term of office of the Secretary General shall be three years and he/she may be reappointed. He/she shall, however, cease to hold office when the Council so decides.
4. The Secretary General shall, in addition to exercising the powers assigned to him/her under this MOU, supervise the execution of the annual work program and the annual budget as well as the implementation of the decisions of the Council under the supervision and advice of the Executive Board.
5. The Secretary General shall prepare, inter alia, the draft annual work program, the annual budget estimate, and the annual report for presentation at the annual meeting of the Council for its approval.
6. The Secretary General shall establish appropriate Units approved by the Council to carry out the powers and functions assigned to him/her. The duties of each Unit shall be described in the Annex to this MOU.
7. The Heads of Units shall be appointed by the Executive Board upon nomination by the Secretary General. Other personnel of the Secretariat shall be appointed by the Secretary General.

8. The terms and conditions of employment of the members of staff shall be set out in staff regulations approved by the Council.

ARTICLE 9

Official Language

The official language of the Centre is English.

ARTICLE 10

Finance

1. Centre Members will contribute to the Centre, in accordance with their respective national laws and regulations, an agreed amount of money necessary for the operation of the Centre.

2. The expenses borne by the ROK shall be as follows:

- (a) the rent of the office(s) occupied by the Centre in the territory of the ROK;
- (b) the wages, insurance fees and other expenses necessary to hire staff who are nationals of the ROK; and
- (c) other expenses required for the Centre to execute its regular functions performed in the territory of the ROK.

3. The expenses borne by the ASEAN Member Countries shall be the wages, insurance fees and other expenses necessary to hire staff who are nationals of the ASEAN Member Countries.

4. The expenses necessary for the Centre to carry out functions, projects and other activities not mentioned in Paragraphs 2 and 3 shall be borne by the Centre Members in a proportion to be decided by the Council.

5. The Centre may, with the approval of the Council, accept assistance on a grant basis from non-Centre Member countries and organizations.

ARTICLE 11

Juridical Personality

The Centre shall possess juridical personality. It shall have the following capacities:

- (a) to enter into contracts;
- (b) to acquire and dispose of movable and immovable property; and
- (c) to institute legal proceedings.

ARTICLE 12

Privileges and Immunities

1. The Centre and its officials shall enjoy, in the territory of the ROK, privileges and immunities as deemed necessary and appropriate for the exercise of their functions and the fulfillment of the purposes of the Centre in accordance with the provisions of Articles 13 through 19.

2. The Centre may conclude, with one or more Centre Members other than the ROK, agreements on privileges and immunities which shall be approved by the Council if affiliate centres are to be established elsewhere.

3. Pending the conclusion of such agreements, Centre Members shall grant, to the extent consistent with their respective national laws and regulations, such privileges and immunities as may be necessary for the proper operation of the Centre.

ARTICLE 13

Property, Funds and Assets

1. The Centre, its property and assets shall enjoy immunity from proceedings in legal courts except where it has expressly waived its immunity. Any waiver of immunity from jurisdiction in respect of civil or administrative proceedings shall not be held to imply waiver of immunity in respect of the execution of the judgement, for which a separate waiver shall be necessary.

2. The provisions of this Article shall not apply in the case of civil proceedings relating to disputes arising out of contracts and out of damage caused by vehicles.

3. The archives of the Centre and in general all official papers and documents belonging to the Centre shall be inviolable. Private papers belonging to Secretariat officers and staff shall be stored separately from official papers and documents.

4. Without being restricted by financial controls, regulations or moratoria of any kind:

- (a) the Centre may hold funds or currency of any kind and operate accounts in any currency;
- (b) the Centre may freely transfer its funds or currency to and from the ROK, or within the

territory of the ROK, and convert any currency held by it into any other currency.

5. In exercising the rights as mentioned above in Paragraph 4, the Centre shall comply with the national laws of the ROK, and shall pay due regard to any representation made by the ROK in so far as it is considered that effect can be given to such representation without detriment to the interests of the Centre.

6. The Centre, its assets, income and other property shall be:

- (a) exempt from all direct taxes except those which are, in fact, no more than charges for public utility services;
- (b) exempt from customs duties and from prohibitions and restrictions on imports and exports in respect of articles imported or exported by the Centre for its official use. It shall be understood, however, that articles imported under such exemption shall not be sold in the ROK except under conditions agreed upon with the ROK; and
- (c) exempt from customs duties and prohibitions and restrictions on imports and exports in respect of the publications imported or exported by the Centre for its official use.

7. While the Centre will not, as a general rule, claim exemption from excise duties and from taxes on the sale of movable and immovable property which form part of the price to be paid, nevertheless, when the Centre is making

important purchases for official use of property on which such duties and taxes have been charged, the ROK may, whenever possible, make appropriate administrative arrangements for the remission or return of the amount of duty or tax.

ARTICLE 14

Promotional Goods and Materials

The ROK shall, in accordance with its relevant laws and regulations, offer duty free entry and every facility and assistance in the import of goods and materials of ASEAN Member Countries for promotional display and, where appropriate, for subsequent distribution of such goods and materials as free samples. The ROK shall also, in accordance with its relevant laws and regulations, offer its facilities and assistance in the subsequent sale of such goods and materials.

ARTICLE 15

Facilities in respect of Communications

In regard to its official communications, the Centre shall, in the territory of the ROK, and in so far as may be compatible with any international conventions, regulations and arrangements to which the ROK is a party, enjoy treatment not less favorable than that accorded by the ROK to any other international organization in the matter of priorities, rates and taxes for postal services and telecommunications.

ARTICLE 16

Privileges and Immunities of Secretariat Officials

1. The officials of the Secretariat shall:

- (a) be exempt from taxation on the salaries and emoluments paid to them by the Centre;
- (b) be immune, together with their spouses and relatives dependent on them, from immigration restrictions, alien registration and national service obligations;
- (c) have the right to import free of duty furniture and household goods for personal use by themselves and their families at the time of first taking up their post at the Centre; and
- (d) be accorded, in respect of exchange facilities, treatment not less favorable than that accorded to officials of comparable rank of any other international organizations posted in the ROK.

2. The ROK shall not be obliged to accord the privileges and immunities referred to in Paragraph 1 of this Article to officials who are nationals or permanent residents of the ROK.

3. Privileges and immunities are accorded to officials in the interests of the Centre only, and not for their personal benefit. Consequently, the Executive Board, upon recommendation by the Secretary General, has the right and duty to waive the immunity of any official in any case where, in its opinion, the immunity would impede realization of justice, and can be waived without prejudice to interests of the Centre. The Council has the right and duty to waive the immunity accorded to the Secretary General as and when necessary.

4. The officials of the Secretariat, to which the provisions of this Article apply, shall be the Secretary General, senior officials and other officials from categories which shall be determined by the Council. The Secretary General shall notify the Centre Members of the names, titles, and addresses of those officials.

ARTICLE 17

Entry

1. The ROK will facilitate the entry into its territory of the following persons visiting its territory on official missions:

- (a) directors and representatives of the other Centre Members participating in the meetings prescribed in Articles 6 and 7, together with their spouses;
- (b) the Secretary General and other officials of the Secretariat, together with their spouses and relatives dependent on them; and
- (c) other persons invited by the Centre.

2. The provisions of Paragraph 1 do not mean that the persons mentioned in that Paragraph are exempt from complying with national laws of the ROK relating to entry matters.

ARTICLE 18

Abuse of Privileges

1. The Centre shall cooperate at all times with the appropriate authorities of the ROK to prevent the occurrence of any abuse in connection with the privileges, immunities and facilities conferred by this MOU.

2. If the ROK considers that there has been an abuse of a privilege or immunity conferred by this MOU, consultations shall be held between the ROK and the Centre to determine whether any such abuse has occurred and, if so, to ensure that no repetition of such abuse occurs.

ARTICLE 19

Settlement of Disputes

The Council shall make provisions for appropriate modes of settlement of:

- (a) disputes of a private law character to which the Centre is a party other than those referred to in Article 13, Paragraph 1; and
- (b) disputes involving any official of the Secretariat who enjoys immunity under the provisions of this MOU, on the condition that immunity has not been waived in accordance with Article 16, Paragraph 3.

ARTICLE 20

Settlement of Disputes between Centre Members

Any disputes or differences between Centre Members arising out of the interpretation and/or implementation and/or application of any of the provisions of this MOU shall be settled amicably through mutual consultations and/or negotiations between Centre Members through diplomatic channels, without reference to any third party or international tribunal.

ARTICLE 21
Protection of Intellectual Property Rights

1. The protection of intellectual property rights of each Centre Member shall be carried out in conformity with the respective national laws and regulations of such Centre Member. Each Centre Member reaffirms the provisions of international agreements relating to intellectual property to which it is a party.

2. The use by the Centre of the name, logo and/or official emblem of any of the Centre Members on any publication, document and/or paper developed pursuant to this MOU is prohibited without the prior written approval by that Centre Member.

3. Notwithstanding anything contained in Paragraph 1 above, a Centre Member shall own the intellectual property rights in respect of any technological development, and any products and services development, which were solely and separately developed by that Centre Member. When two or more of the Centre Members carry out any activity pursuant to this MOU, such Centre Members shall consider intellectual property issues that may arise in connection with the said activity, for instance, the ownership of intellectual property rights to any inventions that might arise from the said activity.

ARTICLE 22
Confidentiality

1. Each Centre Member shall observe the confidentiality and secrecy of documents, information and other data received from or supplied to another Centre Member pursuant to this MOU or any other agreement made under this MOU.

2. The provisions of this Article shall continue to apply to the Centre Members regardless of their withdrawal from, or their termination of, this MOU.

ARTICLE 23

Withdrawal

1. Any Centre Member may at any time withdraw from this MOU by giving a written notification to the ASEAN Secretariat to be communicated to the other Centre Members.

2. The Centre Member applying for withdrawal shall be bound by its obligations until the end of the fiscal year during which the application for withdrawal is submitted. It shall also settle any other financial dues it owes to the Centre.

ARTICLE 24

Amendments

1. Any Centre Member may propose amendments to this MOU. A proposed amendment shall be communicated to the Secretary General who shall communicate it to the other Centre Members at least six months in advance of its consideration by the Council. Nevertheless, the amendments to the Annex of this MOU may be communicated to the Centre Members at least three months prior to the consideration by the Council.

2. Amendments to this MOU shall be adopted by the Council and shall come into force upon their acceptance by the Centre Members.

3. Amendments accepted by the Centre Members shall enter into force upon the date of the last deposit of the instruments of acceptance with the ASEAN Secretariat.

ARTICLE 25

Signature, Ratification and Acceptance

This MOU shall be open for signature by the ROK and the ASEAN Member Countries. It shall be subject to ratification or acceptance by the Signatories.

ARTICLE 26

Entry into Force

This MOU shall enter into force 30 days after the date of the last deposit of the instruments of ratification or acceptance by all ASEAN Member Countries and the ROK. It shall remain in force until it is terminated under Article 27 of this MOU.

ARTICLE 27

Termination

This MOU may be terminated by the withdrawal of the ROK, or the withdrawal of more than half of the ASEAN Member Countries, from this MOU. Such termination shall take effect at the end of the fiscal year of the terminating withdrawal.

ARTICLE 28

Depository

1. Upon signature, this MOU shall be deposited with both the ROK Ministry of Foreign Affairs and Trade and the ASEAN Secretariat. The Secretary-General of ASEAN shall

then promptly send a certified copy thereof to the ASEAN Member Countries.

2. Instruments of ratification and acceptance mentioned in Article 25 shall be deposited with the ASEAN Secretariat.

ARTICLE 29

Suspension

Each Centre Member reserves the right for reasons of national security, national interest, public order or public health to suspend temporarily, either in whole or in part, the implementation of this MOU. Such suspension shall take effect immediately after notification has been given to the other Centre Members through diplomatic channels.

IN WITNESS WHEREOF the undersigned representatives, being duly authorized thereto, have signed the present MOU.

DONE at Singapore on this Twenty First Day of November, 2007, in duplicate, in the English language.

ARTICLE 1

This Annex intends to provide rules and regulations in accordance with Article 8 of the MOU regarding the appointment of the Secretary General, the structure of the Secretariat and the division of duties.

ARTICLE 2

Appointment of the Secretary General

1. The Secretary General shall be nominated three months prior to the termination of his/her predecessor's term of office. However, this Paragraph shall not apply to the first Secretary General.

2. The Secretary General applicants, who shall be nationals of Centre Members and fluent in English, should meet at least one of the following criteria. He/she shall have:

- (a) at least three years of progressively responsible experience at a post equivalent to or higher than D2 or P5 level in an international organization;
- (b) at least three years of progressively responsible experience at a post equivalent to or higher than Director-General in the Government of the Centre Member; or as the Managing-Director of a well-established company,
- (c) at least seven years of progressively responsible experience in related affairs with a doctorate degree or its equivalent in political science, international relations, international law or a related field; or
- (d) at least ten years of progressively responsible experience in a related field with a Master's degree or its

equivalent in political science, international relations, international law or a related field.

3. Each Centre Member shall appoint one person as interviewer for the Secretary General applicants (hereinafter referred to as "Interviewer"). The Executive Board may function as Interviewers.

4. The Executive Board shall recommend to the Council the person who is ranked first at the interview stipulated in Paragraph 3. The Council will nominate him/her as the next Secretary General unless the Council finds serious reasons for his/her disqualification.

ARTICLE 3

Units of the Secretariat

1. In the initial phase of operation, the Secretariat shall establish the following four units: (a) Development Planning and General Affairs Unit, (b) Trade and Investment Unit, (c) Culture and Tourism Unit, and (d) Information and Data Unit.

2. The Secretary General may establish additional units with the approval of the Council, depending on the scope of the activities under this MOU.

3. Each Unit shall have at least one national of an ASEAN Member Country and one national of the ROK.

ARTICLE 4

Development Planning and General Affairs Unit

1. The Executive Board shall appoint the Head of the Development Planning and General Affairs Unit upon his/her nomination by the Secretary General.

2. The duties of the Development Planning and General Affairs Unit shall be as follows:

- (a) to devise an annual work program;
- (b) to evaluate the outcome of work program;
- (c) to operate the general budget of the Centre; and
- (d) to take charge of matters which do not fall in the category of the duties of any other Unit.

ARTICLE 5

Trade and Investment Unit

1. The Executive Board shall appoint the Head of the Trade and Investment Unit upon his/her nomination by the Secretary General.

2. The duties of the Trade and Investment Unit will be as follows:

- (a) to introduce business opportunities for ASEAN Member Countries in the ROK;
- (b) to assist and advise the ROK and ASEAN enterprises involved in ASEAN-ROK trade;
- (c) to hold appropriate events on trade fairs and investment relations;
- (d) to conduct research and studies on trade and investment; and
- (e) to take charge of other activities regarding trade and investment between the ASEAN Member Countries and the ROK .

ARTICLE 6
Culture and Tourism Unit

1. The Executive Board shall appoint the Head of the Culture and Tourism Unit upon his/her nomination by the Secretary General.
2. The duties of the Culture and Tourism Unit shall be as follows:
 - (a) to hold cultural events promoting mutual understanding;
 - (b) to provide within the ROK information regarding ASEAN tourism resources;
 - (c) to hold appropriate events promoting tourism between the ASEAN Member Countries and the ROK ;
 - (d) to conduct research and studies on cultural exchange and tourism; and
 - (e) to take charge of other activities regarding cultural exchange and tourism between the ASEAN Member Countries and the ROK .

ARTICLE 7
Information and Data Unit

1. The Executive Board shall appoint the Head of the Information and Data Unit upon his/her nomination by the Secretary General.
2. The nominee should be a person with at least five years of work experience in data processing affairs or related fields.
3. The duties of the Information and Data Unit shall be as follows:

- (a) to publish publications including annual reports of the Centre and PR brochures;
- (b) to maintain a website for the Centre; and
- (c) to take charge of other activities to increase public awareness of the Centre.