

JOINT INTERPRETATIVE DECLARATION
CONCERNING ARTICLES 45 AND 46

The Parties are democracies. They wish to work together to promote their shared values to the world. Their Agreement is a signal of their shared determination to promote democracy, human rights, non-proliferation, and counter-terrorism throughout the world. The implementation of this Agreement between the Parties sharing the same values shall therefore be based on the principles of dialogue, mutual respect, equal partnership, multilateralism, consensus, and respect for international law.

The Parties agree that for the purpose of the correct interpretation and practical application of this Agreement, the term "appropriate measures" in Article 45 (3) are measures proportionate to the failure to implement obligations under this Agreement. Measures may be taken with regard to this Agreement or to a specific agreement falling under the common institutional framework. In the selection of measures priority must be given to those which least disrupt the functioning of the agreements, taking account of possible use of domestic remedies where available.

The Parties agree that for the purpose of the correct interpretation and practical application of this Agreement, the term "cases of special urgency" in Article 45 (4) means a case of a material breach of this Agreement by one of the Parties. A material breach consists in either repudiation of this Agreement not sanctioned by the general rules of international law or a particularly serious and substantial violation of an essential element of the Agreement. The Parties shall assess a possible material breach of Article 4 (2), taking account of the official position, where available, of the relevant international agencies.

In respect of Article 46, where measures have been taken with respect to a specific agreement falling under the common institutional framework, any relevant dispute settlement procedures of the specific agreement shall apply with regard to the procedure of implementing the decision of the arbitration panel in cases where the arbitrators decide that the measure was not justified or proportionate.

UNILATERAL DECLARATION
BY THE EUROPEAN UNION
ON ARTICLE 12

The plenipotentiaries of the Member States and the plenipotentiary of the Republic of Korea take note of the following Unilateral Declaration:

The European Union declares that the Member States are committed under Article 12 only to the extent that they have subscribed to these principles of good governance in the tax area at the level of the European Union.
