

DRAFT
Subject to Legal Review for Accuracy, Clarity, and Consistency

[Date]

Dear Ambassador Schwab:

I have the honor to confirm the following understanding reached between the delegations of the Republic of Korea and the United States of America in the course of negotiations regarding Chapter 20 (Environment) of the Korea – United States Free Trade Agreement:

Before initiating dispute settlement under this Agreement for a matter arising under Article 20.2.1(a), a Party should consider whether it maintains environmental laws that have substantially equivalent scope to those that would be the subject of the dispute.

I would be grateful if you would confirm that your Government shares this understanding.

Sincerely

Kim Hyun-chong