

MEMORANDUM OF UNDERSTANDING ON ESTABLISHING THE ASEAN

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-RGK economic and socio-cultural relations, which was endorsed at the Tenth ASEAN-ROK 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 _____.
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
- (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.

ARTICLES 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.