



## Talking Points

**AHN Dukgeun**

**Associate Dean of International Affairs / Professor, GSIS, Seoul National University**

### **1. China-Korea FTA**

- Future possibility to enhance the current agreement
- Expect to increase mutual trade most
- China's opportunity to embrace major market liberalization through FTAs
  - Important step forward for China to adopt FTA disciplines as well as market access
  - Further progress towards rule oriented trade system
- Major challenges for Korea in respect of industry restructuring
  - Rapid reliance on China's economy and trade
  - Industry restructuring in terms of horizontal and vertical integration
  - Future agricultural market liberalization
- Geopolitically a very important FTA due to North Korea and Taiwan
  - China-Taiwan FTA
  - South-North Korea FTA

### **2. China-Japan-Korea (CJK) FTA**

- CJK FTA to be negotiated more seriously after China-Korea FTA
- After the conclusion of the TPP - particularly with participation of Korea, more realistic
- CJK FTA will be a stepping board for further CJK cooperation for the future or an outcome of stabilized CJK relationship
  - In any case, need political re-stabilization of CJK
- CJK FTA can help RCEP's progress
  - ASEAN centered RCEP may be redefined

### **3. TPP Negotiation**

- Korea to join TPP
  - Already clarified the intention to join, so timing is an issue essentially for incumbent members
- Backdoor Japan-Korea FTA

- Rice market negotiation for Korea may be a big problem
  - Rice issue between Japan and Korea
- Major development to deepen global supply chain among member countries
- Agglomeration (or networking) effects will make costs for non-members bigger when more countries join to the TPP

