



**China-Korea Relations:  
How Does China Solve a Problem like North Korea?**

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China-Korea relations entered an active phase of leadership exchanges during the summer of 2013 following North Korea's December 2012 satellite launch, its February 2013 nuclear test, and the passage of UN Security Council resolutions 2087 and 2094 condemning these actions. The exchanges have focused on the DPRK nuclear issue, which has been a source of unprecedented political tensions between China and North Korea. The aftermath drove continued debate on the extent of Chinese leverage and patience with Pyongyang. Beijing has reaffirmed its commitment to bring North Korea back to multilateral talks through revived bilateral exchanges with Pyongyang, including a meeting between Vice President Li Yuanchao and Kim Jong Un in Pyongyang on July 26 in commemoration of the signing of Korean War armistice, which was celebrated in Pyongyang as a "victory." Although Beijing's frustration with its North Korean ally has expanded Chinese willingness to include denuclearization as a policy objective it shares with the US and South Korea, differences remain regarding long-term strategic interests and the preferred tools for pursuing the objective.

**China-Korea diplomacy shifts into high gear**

There was a flurry of diplomatic activity between China and the two Koreas over the summer. Choe Ryong Hae, director of the Korean People's Army (KPA) General Political Bureau, member of the Presidium of the Workers' Party of Korea (WPK) Political Bureau, and vice chairman of the WPK Central Military Commission made his first official visit to China on May 22-24 as a "special envoy" of Kim Jong Un. China's Foreign Ministry held strategic dialogues with ROK (June 4) and DPRK counterparts (June 19) in Beijing. Newly inaugurated ROK President Park Geun-hye paid her first state visit to China on June 27-30 to meet counterpart Xi Jinping. ASEAN-related meetings in Brunei served as an additional platform for bilateral talks. Foreign Minister Wang Yi met ROK and DPRK Foreign Ministers Yun Byung-se and Pak Ui Chun on the sidelines of the ASEAN Regional Forum at the end of June. Later, PRC and ROK Defense Ministers Chang Wangquan and Kim Kwan-jin met on the sidelines of the ASEAN Defense Ministers Meeting Plus at the end of August. PRC officials also joined for the first time a July 22 Track 1.5 meeting with US and ROK officials and academics in Seoul.

President Park Geun-hye expressed hopes for China to exercise greater leverage over Pyongyang's aggressive policies in a *Washington Post* interview during her summit with President Obama in Washington on May 7, weeks ahead of her June summit with Xi Jinping. In the interview, Park stated her desire to "engage in candid discussions with [Xi] about whether, if North Korea decides not to become a responsible member of the international community, and chooses not to take the right path ... this current path that it is taking is sustainable." While the

PRC Foreign Ministry affirmed its efforts on North Korea, it urged the US-ROK alliance to play a “constructive” role for regional stability. Summits between US, Chinese, and ROK leaders in May and June suggested consensus on the importance of North Korean denuclearization and stimulated widespread speculation regarding the possibility of a change in China’s policy toward North Korea under Xi’s leadership. The DPRK nuclear issue, which Chinese state media referred to as a “converging point” in US and Chinese interests, topped the Xi-Obama agenda in Sunnylands on June 7-8. National Security Advisor Tom Donilon reported that both leaders “agreed that North Korea has to denuclearize” and that both sides would deepen cooperation and dialogue to achieve denuclearization.

North Korea, political trust, and common goals of economic development were three priorities during President Park’s state visit to China, where in addition to President Xi she also met First Lady Peng Liyuan, State Councilor Yang Jiechi, Premier Li Keqiang, top legislator Zhang Dejiang, and Vice Premier Liu Yandong. The June 27 Xi-Park summit produced a joint communique declaring mutual goals of Korean Peninsula denuclearization and implementation of UNSC resolutions and the 2005 Joint Statement of the Six-Party Talks. China’s leaders also provided rhetorical support for Park’s Northeast Asia peace initiative proposed in her meeting with Obama, as well as her policy of inter-Korean “trust-building.” PRC and ROK ministers signed eight new agreements in several areas including high-tech industry, energy, and the environment to strengthen the strategic cooperative partnership over the next decade. The joint action plan demonstrates efforts to address ongoing political irritants in the bilateral relationship, including maritime demarcation talks and increased exchange on historical research. In an address at Tsinghua University in Beijing, Park promoted Seoul’s new policy of trust-based relations with China, for which the two leaderships agreed to expand ministerial-level dialogue and establish a joint committee on people-to-people exchanges.

Although President Park’s 71-person business delegation showcased the economic interests driving South Korea’s relations with China, her state visit set a positive tone for coordinating North Korea policy amid a revival of dialogue efforts focused on denuclearization. Ahead of her visit, PRC and ROK military leaders sent a strong message of joint opposition to a nuclear North Korea through talks between Deputy Chief of the People’s Liberation Army (PLA) General Staff Lt. Gen. Qi Jianguo and ROK Defense Minister Kim Kwan-jin on the sidelines of the Shangri-La Dialogue in Singapore on June 1. PLA General Staff Chairman Gen. Fang Fenghui and ROK Joint Chiefs of Staff Chairman Gen. Jung Seung-jo reiterated this message during talks in China on June 4-5. ROK nuclear envoy Cho Tae-yong met PRC Special Representative for Korean Peninsula Affairs Wu Dawei in Beijing on June 21 – a visit that coincided with DPRK Vice Minister Kim Kye Gwan’s visit to China on June 19-22. Following separate bilateral talks with ROK and DPRK foreign ministers in Brunei on June 30 and July 1, PRC Foreign Minister Wang Yi reiterated Chinese calls for denuclearization and the resumption of Six-Party Talks in support of joint objectives of the Xi-Park summit.

These developments in China-ROK security and political ties suggest steady progress toward a closer strategic cooperative partnership under Presidents Xi and Park. According to South Korea’s maritime minister, Seoul secured China’s agreement in principle on July 4 to strengthen the monitoring of illegal Chinese fishing in waters shared with South Korea. A week later, ROK Navy Chief Adm. Choi Yoon-hee and PRC counterpart Wu Shengli reached an agreement on

fisheries control in the Yellow Sea. These agreements are important because they strengthen institutional mechanisms for handling sensitive issues in the bilateral relationship. PRC Vice President Li Yuanchao met a ROK National Assembly delegation in Beijing on July 19, led by Chung Mong-joon, head of the ROK-China Inter-Parliamentary Council. Vice Speaker of the ROK National Assembly Lee Byung-suk met Chairman of the National People's Congress (NPC) Standing Committee Zhang Dejiang in Beijing on Aug. 20, during a visit to China for the 8<sup>th</sup> round of regular parliamentary exchanges.

### **Kim Jong Un's outreach to China**

The recent uptick in China-DPRK leadership exchanges suggests Kim Jong Un has renewed outreach to China following a virtual standstill in contacts following Pyongyang's February 2013 nuclear test. China-DPRK political tensions peaked in May with a bilateral dispute over the detention of 16 Chinese fishermen in North Korea. While DPRK authorities demanded a 600,000 RMB (\$96,774) ransom on May 5 according to Chinese state media, the fishermen were released more than two weeks later on May 21 as a result of intervention by the PRC Foreign Ministry, Embassy, and border police. The fishing boat crisis coincided with a series of North Korean missile tests on May 18-20, following which the PRC Foreign Ministry spokesperson called for full implementation of UN sanctions against Pyongyang.

The revival of China-DPRK exchanges featured a visit to China in late May by Choe Ryong Hae as Kim Jong Un's special envoy. He was accompanied by KPA Col. Gen. Ri Yong Gil (subsequently promoted to KPA chief of staff in the summer), KPA Lt. Gen. Kim Su Gil, Vice Department Director of the WPK Central Committee Kim Song-nam, and Vice Foreign Minister Kim Hyong-jun. During his visit, Choe met President Xi Jinping, Vice Chairman of the National Committee of the Chinese People's Political Consultative Conference and head of the CPC International Department Wang Jiarui, member of the CPC Political Bureau Standing Committee Liu Yunshan, and Vice Chairman of the Central Military Commission Fan Changlong.

Choe's visit was the highest-level visit to China by a DPRK official since the August 2012 visit by Jang Song Taek, vice chairman of the National Defense Commission and Kim Jong Un's uncle. The visit provided an opportunity for Sino-DPRK consultation on peninsula security issues ahead of Xi Jinping's visit to the US and Park Geun-hye's visit to China in June. Choe delivered a letter from Kim Jong Un to Xi, who reaffirmed China's "very clear position" on denuclearization, stability, and dialogue. This exchange appeared to send a strong public signal that denuclearization had been moved higher as a Chinese priority. Amid Park Geun-hye's public calls for greater Chinese influence in managing the nuclear impasse, Chinese leaders used Choe's visit to draw attention to Pyongyang's willingness to resume regional dialogue. Beijing pointed to a new opening for the easing of peninsular tensions after Kim Kye Gwan's visit to China on June 19-22 for the China-DPRK strategic dialogue and meetings with State Councilor Yang Jiechi and Foreign Minister Wang Yi. Talks in early July between Wang Jiarui and DPRK counterpart Kim Song Nam also suggested a revival in consultations between the two parties.

### **Revival of nuclear talks?**

Chinese calls for denuclearization-focused diplomacy continued with Vice President Li Yuanchao's visit to North Korea in late July to celebrate the 60<sup>th</sup> anniversary of the Korean War

armistice. Li met Kim Jong Un on July 25, after which both sides reaffirmed their alliance and pledged to work toward restarting the Six-Party Talks. As the highest-ranking Chinese official to visit North Korea since Kim Jong Il's death in December 2011, Li also delivered a message to Kim Jong Un from Xi Jinping, apparently laying down Beijing's firm stance on peninsula denuclearization in line with assertions made at the US-China Strategic and Economic Dialogue on July 10-11. However, the DPRK state media did not report on joint goals of denuclearization or dialogue, focusing instead on traditional ties with China.

Speculation over the restarting of nuclear talks continued with Wu Dawei's visit to North Korea on Aug. 26 to meet Kim Kye Gwan, but differences remain on the preconditions and form of regional dialogue. During his visit to China in May, Choe Ryong Hae reportedly proposed four party talks between China, North and South Korea, and the United States –a proposal received coolly in the US and South Korea. While Ruan Zongze of the China Institute of International Studies anticipates Wu's visit to have a "positive" impact on the resumption of multilateral talks, according to Zhang Liangui of the Party School, significant results from the talks are "unlikely." Steps the PRC government has pursued toward renewal of diplomacy with North Korea include plans to host a Track 1.5 meeting in Beijing in mid-September to commemorate the 10<sup>th</sup> anniversary of the establishment of the Six-Party Talks. But, US special representative Glyn Davies declined to participate, arguing that resumption of official six-party dialogue was "premature" in the absence of a North Korean commitment to denuclearization.

While raising denuclearization as a priority in relations with North Korea, China has not abandoned stability and dialogue as components of its engagement with the North. Thus, China is pursuing denuclearization, but not at the expense of stability on the Korean Peninsula.

### **Chinese trade with North Korea and implementation of sanctions**

Beijing's growing frustration with North Korea over its nuclear weapons program has had negative economic ramifications. China-DPRK trade declined by 6 percent year-on-year during January-June 2013 to \$2.95 billion according to ROK Embassy officials in Beijing. The trade decline was driven by a 14 percent drop in North Korea's imports from China, with a 15 percent decline in imports of Chinese crude oil to 250,000 tons and a drastic 65 percent decline in Chinese food imports to 120,000 tons. Official statistics from Dandong's Foreign Trade Administrative Department also showed a 12.5 percent annual decline in Chinese exports to North Korea during January-April 2013 from \$320 million to \$280 million. Since the launch of operations in 2012, there has been limited activity at the Beijing-based DPRK Investment and Development Group. While some businesses in Dandong have indicated little change in cross-border trade since the February nuclear test and implementation of international sanctions, other local media reports suggest a stagnation in trade and investment as well as government-led cooperation projects such as the Hwanggumphyong and Wihwa Islands Special Economic Zone and cross-border bridge in Dandong.

China has also taken concrete measures designed to express its displeasure with Pyongyang. On July 9, Beijing banned fishing in waters off North Korea's east coast after Pyongyang issued a new order requiring Chinese ships operating in those waters to buy fuel only from DPRK suppliers, a decision that the PRC Ministry of Agriculture stated poses "serious harm and

potential risks” to Chinese fishing vessels. The Chinese Foreign Ministry and Ministry of Agriculture from early July ordered local authorities to strengthen surveillance of Chinese fishing activities to prevent potential disputes with North Korea over fuel supplies.

Reports have circulated that Beijing has begun for the first time to implement selected sanctions against Pyongyang as mandated by UN Security Council resolutions. In mid-May, the Bank of China and other Chinese lenders were reported to have suspended transactions with North Korea’s Foreign Trade Bank, which is suspected of funding Pyongyang’s nuclear weapons program. South Korean Foreign Minister Yun Byung-se referred to the recent measures by Chinese banks as a sign of Beijing’s changing position on North Korea. According to *Radio Free Asia*, nongovernmental and private aid programs in North Korea have been adversely affected by expanded Chinese financial sanctions since February, including the tightening of Chinese customs procedures and closure of bank accounts that show transactions with the North. In addition, the US Treasury Department on May 10 also announced the imposition of sanctions on a Taiwanese firm and CEO for their role in North Korean weapons proliferation activities.

In its annual report on June 26, the UNSC North Korea Sanctions Committee reported that Pyongyang breached a contract with a Chinese company by converting imported lumber transporters into missile launch transporters seen at North Korea’s military parade in April 2012. The case would represent a Chinese violation of UN resolutions prohibiting member states from selling arms and related materials to North Korea. Beijing, however, reportedly approved a plan in late June to expand the UN Sanctions Committee’s panel of experts on North Korea. In a meeting in Vienna in mid-August, China’s Deputy Defense Minister Zhang Yulin and the executive secretary of the Comprehensive Nuclear-Test Ban Treaty Organization (CTBTO) also reached an agreement on China’s sharing of nuclear blast data with the CTBTO, a move expected to add pressure on Pyongyang’s nuclear weapons program. Speaking to the *South China Morning Post*, a researcher at the China Arms Control and Disarmament Association, Xu Guangyu, argued that China’s monitoring networks on public and underground nuclear tests “can constrain North Korea.”

### **South Korea’s FTA strategy toward China**

The China-ROK economic partnership remains a central component of Seoul’s economic revival strategy under Park Geun-hye, who was accompanied by a delegation of 71 business executives led by the Korea Chamber of Commerce and Industry (KCCI) during her state visit to China. The two governments agreed to support newly emerging industries and to prioritize the China-ROK free trade agreement (FTA) with the goal of supporting a total bilateral trade target of \$300 billion by 2015. In remarks at a China-ROK business forum in Beijing on June 28, Park called for expanding cooperation in emerging industries given mutual commitments to cultivating these sectors. Park’s trip to China’s western city of Xian escorted by business leaders highlighted South Korea’s investment interests in China’s inland regions. According to Chinese data, annual China-ROK trade reached \$256 billion in 2012, almost a 50-fold increase since the establishment of diplomatic ties in 1992. ROK statistics showed that total bilateral trade reached \$72.91 billion during January-April 2013, a 6 percent increase year-on-year. South Korea’s current account surplus with China reached a record \$66.13 billion in 2012 according to the Bank of Korea, a 16.3 percent increase from the previous year.

In June, Presidents Park and Xi reaffirmed the mutual goal of completing the China-ROK FTA as a high-level, comprehensive free trade pact and agreed to expand bilateral financial and monetary cooperation. Ahead of the summit, ROK Finance Minister Hyun Oh-seok called for “substantial progress” toward the conclusion of first-stage FTA negotiations by the end of 2013, identifying China as Seoul’s most important partner in the implementation of foreign economic policy. South Korea’s Ministry of Trade, Industry and Energy (MOTIE) indicated the narrowing of differences in several areas after the sixth round of FTA talks in Busan on July 2-4. While the FTA is regarded important for creating a stable bilateral trade structure in the long-term, negotiations have sparked significant domestic opposition in South Korea. Talks in Busan drew together more than 3,000 South Korean farmers nationwide on July 2 to protest a potential trade deal. Meanwhile, ROK business groups continue to voice support for the FTA as a critical means to further tap into the Chinese market. On Aug. 8, however, MOTIE announced the closure of the China-ROK district of the Yellow Sea free economic zone (FEZ), citing a five-year delay in development efforts since its establishment in April 2008. Plans to develop the Yellow Sea FEZ as a logistics and business center for trade with China were partially discarded in November 2011 due to a failure to draw investment amid the global economic downturn.

The establishment of an China-ROK FTA remains a major objective of Seoul’s new policy on FTAs, designed to promote South Korea’s role as “a linchpin that links the integrated market of East Asia centered around China and the pan-Pacific market led by the United States” according to MOTIE. China and South Korea also held trilateral FTA talks with Japan in Shanghai on July 30-Aug. 2, the second round of talks since March. As part of ongoing trilateral cooperation, the three sides also held the 15<sup>th</sup> Environment Ministers Meeting in Japan on May 5-6 and the fifth Central Bank Governors Meeting in Switzerland on June 25. However, PRC, ROK, and Japanese leaders failed to hold a scheduled summit in May and did not convene for a three-way summit on the sidelines of ASEAN+3 meetings in Brunei in late June/early July, an indication of mounting political strains with Japan. China’s Commerce Ministry spokesman also called for greater “flexibility” from South Korea and Japan following the latest round of trilateral FTA talks, noting gaps in priorities given different levels of development. While the prospect of a trilateral FTA has drawn concern from South Korean and Japanese farmers over the impact of cheap Chinese agricultural imports, political disputes over historical and territorial issues have emerged as major impediments to China-ROK-Japan cooperation efforts since 2008. The formal submission over the summer of conflicting PRC and ROK claims to the UN Commission on the Limits of the Continental Shelf extending the East China Sea continental shelf to the Okinawa Trough is could reignite maritime disputes involving Beijing, Seoul, and Tokyo. In mid-July, however, the ROK Foreign Ministry revealed that Seoul is working on a long-term road map with China and Japan through a proposed “trilateral cooperation vision group” in an effort to address history and territorial issues. Although PRC and ROK lawmakers also agreed to coordinate approaches to history disputes with Tokyo during China-ROK parliamentary exchanges in Beijing in late August, South Korea rejected Chinese governmental overtures for political cooperation against Japan surrounding Park Geun-hye’s June summit in Beijing.

### **China debates North Korea policy**

Chinese scholars, officials, and media have continued to actively debate China’s North Korea policy in the aftermath of North Korea’s February 2013 nuclear test. A *Caijing* article on May 5

stated that while “the strategic importance of the DPRK decreased significantly” after the Cold War, “various contradictions exist between North Korea’s three major policy objectives of possessing nuclear weapons, pursuing economic development and maintaining the Kim regime.” Emphasizing improved relations with the United States as “the most important goal of North Korean foreign policy,” it argued that “the effectiveness and sustainability of North Korea’s brinkmanship policy has been called into question” since Kim Jong Un’s military actions and “hardline rhetoric” from March 2013. However, the article ultimately called on the US and the international community to shift to an “inclusive strategy” toward Pyongyang focused on facilitating North Korea’s economic development and integration into the international system while adhering to the UNSC’s new Resolution 2094.

Despite renewed debate on North Korea’s strategic value to China, comments from other Chinese experts suggest that the prospects for a Chinese policy change toward North Korea remain limited. A *Global Times* commentator on Aug. 13 called North Korea “an important defense shield for China,” indicating that “the main factor for the friendship between China and North Korea is a geopolitical issue.” In a forum hosted by the All-China Journalists Association on Aug. 6, Ruan Zongze, vice president of the China Institute of International Studies and former minister counselor at the PRC Embassy in the US, argued that change in North Korea policy is unlikely under Xi’s leadership although “China is trying very hard to exert its own influence” on Pyongyang. In his assessment of China’s dialogue-based policy on the DPRK, Ruan responded to a recent “misunderstanding” that China prioritizes stability over denuclearization, arguing that “denuclearization and peace and stability are two sides of one coin.”

Chinese and South Korean officials agree that Kim Jong Un has consolidated his rule since Kim Jong Il’s death in December 2011. The ROK Foreign Ministry’s annual white paper in August concluded that Kim Jong Un has retained dominance over the party and military since his official designation as head of state in July last year. At a meeting with the Korea-China Exchange Association on June 15, former PRC State Councilor Tang Jiaxuan also noted the succession process in Pyongyang appears stable given Kim Jong Un’s firm control over the party and military. An ROK Unification Ministry report made similar assessments based on a 17 percent year-on-year increase in public appearances by Kim Jong Un during January-June 2013. However, Seoul’s diplomatic white paper emphasized no evidence of market-oriented reforms that Kim Jong Un was reported to have introduced in June 2012 being implemented, with resources channeled toward state projects designed to glorify the Kim regime rather than promote systemic economic stabilization. In addition to the nuclear issue, North Korea’s failure to pursue reforms is an important source of frustration for Chinese policy toward Pyongyang.

Although North Korea’s internal stability remains a shared concern of the PRC and ROK, the need for North Korea’s denuclearization has been highlighted by Pyongyang’s February nuclear test and subsequent military threats. In an Aug. 16 policy paper on China’s new diplomatic agenda, State Councilor Yang Jiechi affirmed that China has “actively reached out to relevant countries” to address the DPRK nuclear issue and has “consolidated our good-neighborly friendship and cooperation” with South Korea through the Xi-Park summit. However, North Korea did not appear as a major foreign policy priority in state media reports ahead of Premier Li Keqiang’s first foreign tour in May, which highlighted Beijing’s new diplomatic strategy of political mutual trust, economic cooperation, and cultural exchange.

## Conclusion

China-DPRK political relations remain fragile given open differences on Korean denuclearization, new Chinese efforts to implement sanctions, and active domestic debates over China's policy toward North Korea. Pyongyang's shift to a "charm offensive" strategy by offering talks with South Korea and the United States raises questions regarding the potential importance of ROK-China cooperation, which is likely to depend on three factors.

First is the apparent convergence in priorities among China, South Korea, and the US over the necessity of North Korea's denuclearization. At the third meeting of ASEAN Defense Ministers Meeting Plus in Brunei, the three sides joined other regional partners in adopting a joint resolution on Korean Peninsula denuclearization and compliance with UN sanctions. US and Chinese leaders reaffirmed their consensus on the nuclear issue at the fifth Strategic and Economic Dialogue, and denuclearization of the Korean Peninsula was a top agenda item during China's defense minister's visit to the US. However, while the director of China's Defense Ministry's Foreign Affairs Office emphasized an opening for restarting denuclearization talks, Chinese state media called for dialogue and engagement rather than sanctions and pressure, urging the US to "show flexibility and engage the DPRK." Despite an agreement over the objective of denuclearization, China and the US appear to disagree over the preferred means for achieving that objective.

A second positive factor is China's support of improvement in inter-Korean ties as a driver of regional dialogue under Park Geun-hye's policy of a "Trust-building Process on the Korean Peninsula." This support was most recently expressed in telephone talks between PRC and ROK Foreign Ministers Wang Yi and Yun Byung-se on Aug. 16, two days after an inter-Korean agreement to reopen the Kaesong Industrial Zone. A senior Chinese Foreign Ministry official also held telephone talks with DPRK Ambassador to China Chi Chae Ryong on Aug. 16 in support of Kaesong's planned reopening. Chinese assessments of North-South ties, however, remain mixed. While Shi Yongming of the China Institute of International Studies favorably assessed the likely outcome of Kaesong talks in an interview with *Yonhap*, Peking University's Gong Yuzhen told the *China Daily* that "we cannot be too optimistic" given unresolved "structural problems between Seoul and Pyongyang."

Third, South Korea's alliance cooperation with the US and Japan remains an underlying factor that draws Chinese concern and prevents China from being more forward-leaning in its cooperation on North Korea-related issues. Yet, North Korea's provocations since 2010 have consistently resulted in closer US-ROK-Japan coordination measures in response to a growing North Korean threat capacity. These measures illustrate tangible costs to China's regional security environment, and motivate Chinese efforts to restrain North Korea from engaging in additional provocations. In this respect, it is striking that US Secretary of State John Kerry and ROK and Japanese Foreign Ministers Yun Byung-se and Kishida Fumio held trilateral talks on the North Korean nuclear issue on July 1 in Brunei, while PRC, ROK, and Japanese leaders were unable to hold a summit as in the past. Meanwhile, South Korea's own tensions with Japan over bilateral issues may mitigate Chinese concerns over the implications of US-led alliance cooperation on Pyongyang, and constitute a focal point for Chinese efforts to divide South Korea and Japan from each other in their broader perceptions of the regional security environment.

## **Chronology of China-Korea Relations**

### **May – August 2013**

**May 1-2, 2013:** ROK nuclear envoy Lim Sung-nam visits China for talks with PRC counterpart Wu Dawei and other officials.

**May 5, 2013:** DPRK authorities demand a 600,000 RMB (\$96,774) ransom for the release of a Chinese fishing boat from Dalian with 16 fishermen according to Chinese state media.

**May 5-6, 2013:** The 15<sup>th</sup> Tripartite Environment Ministers Meeting between China, South Korea, and Japan is held in Kitakyushu, Japan.

**May 7, 2013:** ROK President Park Geun-hye urges China to exercise more leverage over Pyongyang for peace on the Korean Peninsula.

**May 8, 2013:** PRC Foreign Ministry spokesperson affirms China's positive role in easing Korean Peninsula tensions.

**May 8, 2013:** Bank of China shuts down a North Korean Foreign Trade Bank account with ties to North Korean nuclear and missile development programs.

**May 10, 2013:** US Treasury Department announces it has imposed sanctions on a Taiwanese firm and CEO for ties with North Korea's weapons program.

**May 10, 2013:** Chinese ship owner Yu Xuejun appeals to the PRC Embassy in Pyongyang for help on the release of 16 Chinese fishermen detained in North Korea.

**May 16, 2013:** ROK media reports that Chinese banks suspend transactions with a DPRK bank suspected of funding Pyongyang's nuclear weapons program.

**May 20, 2013:** PRC Foreign Ministry spokesperson calls for full implementation of UN Security Council resolutions after North Korea fires missiles into the East Sea on May 18-20.

**May 21, 2013:** DPRK authorities release 16 Chinese fishermen who were detained on May 5.

**May 22-24, 2013:** Choe Ryong Hae, director of the Korean People's Army (KPA) General Political Bureau and member of the Presidium of the Political Bureau of the WPK Central Committee, visits China as Kim Jong Un's special envoy, accompanied by KPA Col. Gen. Ri Yong Gil, Vice Department Director of the Worker's Party of Korea (WPK) Central Committee Kim Song Nam, Vice Foreign Minister Kim Hyong Jun, and KPA Lt. Gen. Kim Su Gil.

**June 1, 2013:** ROK Defense Minister Kim Kwan-jin and Lt. Gen. Qi Jianguo, deputy chief of the PLA General Staff, hold talks on the sidelines of the Shangri-La Dialogue in Singapore.

**June 3, 2013:** ROK and PRC senior diplomats meet ahead of Park Geun-hye's visit to China.

**June 4, 2013:** PRC Vice Foreign Minister Zhang Yesui and ROK First Vice Foreign Minister Kim Kyou-hyun hold the sixth high-level China-ROK strategic dialogue in Beijing.

**June 4-5, 2013:** ROK JCS Chairman Gen. Jung Seung-jo visits China and meets Gen. Fang Fenghui, chairman of the PLA General Staff.

**June 6, 2013:** PRC Foreign Ministry spokesperson expresses support for inter-Korean reconciliation after Pyongyang proposes the holding of inter-Korean talks.

**June 14, 2013:** Former PRC State Councilor Tang Jiaxuan meets President Park Geun-hye in Seoul.

**June 15, 2013:** Kim Jong Un sends a birthday message to PRC President Xi Jinping.

**June 17-18, 2013:** Chinese and Korean business leaders attend the Korea-China Economic Forum in Seoul, hosted by the World Federation of Overseas Korean Traders Association.

**June 19-22, 2013:** DPRK First Vice Foreign Minister Kim Kye Gwan visits China for a strategic dialogue, co-chaired by PRC Vice Foreign Minister Zhang Yesui.

**June 21, 2013:** PRC Special Representative for Korean Peninsula Affairs Wu Dawei and ROK nuclear envoy Cho Tae-yong hold talks in China.

**June 25, 2013:** Fifth Trilateral Governors Meeting of the central banks of China, Japan, and South Korea is held in Basel, Switzerland.

**June 26, 2013:** UN report shows that Pyongyang breached a contract with a Chinese company by converting lumber transporters into missile launch transporters.

**June 26, 2013:** North Korea launches four short-range projectiles into waters off its east coast according to ROK sources.

**June 27-30, 2013:** President Park makes a state visit to China and meets President Xi.

**June 27, 2013:** Foreign Minister Wang Yi calls for the resumption of Six-Party Talks on the sidelines of the World Peace Forum in Beijing.

**June 28, 2013:** South Korea's SK Innovation Co. announces the signing of a joint venture deal between SK Global Chemical Co. and China National Petrochemical Corp. (SINOPEC).

**June 30, 2013:** Foreign Ministers Wang Yi and Yun Byung-se hold bilateral talks on the sidelines of ASEAN meetings in Brunei.

**July 1, 2013:** Foreign Minister Wang Yi and DPRK counterpart Pak Ui Chun hold bilateral talks on the sidelines of the ASEAN regional security conference in Brunei

**July 2-4, 2013:** The sixth round of China-ROK FTA negotiations are held in Busan, Korea.

**July 2, 2013:** Thousands of South Korean farmers and fishermen hold protests in Busan against a potential FTA with China.

**July 3, 2013:** Wang Jiarui, vice chairman of the National Committee of the Chinese People's Political Consultative Conference and head of the CPC International Department meets a WPK delegation led by Kim Song Nam, vice director of the WPK International Affairs Department.

**July 4, 2013:** ROK maritime minister announces that China has agreed in principle to intensify crack downs on illegal Chinese fishing in waters shared with South Korea

**July 4, 2013:** Chinese soldiers conduct a river-crossing exercise on the Yalu River in Dandong City bordering North Korea.

**July 9, 2013:** China's Ministry of Agriculture bans Chinese fishermen from fishing in waters off North Korea's east coast.

**July 11, 2013:** PRC Foreign Ministry spokesperson calls for the resumption of operations at the Kaesong Industrial Complex.

**July 12, 2013:** ROK Navy Chief Adm. Choi Yoon-hee and PRC counterpart Wu Shengli in Qingdao reach agreement on China-ROK fisheries control cooperation in the Yellow Sea.

**July 12, 2013:** South Korea's Asiana Airlines apologizes in Chinese newspapers for its plane crash in San Francisco that killed three Chinese students.

**July 19, 2013:** ROK National Assembly delegation led by Chung Mong-joon, head of the ROK-China Inter-Parliamentary Council, meets PRC Vice President Li Yuanchao.

**July 25, 2013:** PRC Vice President Li Yuanchao, a PLA art and culture delegation, and a delegation of war veterans of the Chinese People's Volunteers (CPV) arrive in Pyongyang for 60<sup>th</sup> anniversary commemorations of the Korean War armistice. Li meets Kim Jong Un. North Korea's National Defense Commission hosts a banquet for CPV war veterans.

**July 27, 2013:** China-DPRK Korean Fine Art Exhibition opens in Beijing to commemorate the 60<sup>th</sup> anniversary of the Korean War armistice.

**July 29, 2013:** A delegation of the China Institute of International Studies led by Vice President Guo Xiangang arrives in Pyongyang.

**July 30-31, 2013:** ROK delegation led by Kim Han-Kyu, chairman of the 21<sup>st</sup> Century Korea-China Exchange Association, attends the fifth High-Level Dialogue of China-ROK Media and meets Liu Qibao, head of the CPC Publicity Department.

**July 30-Aug. 2, 2013:** Second round of FTA talks between China, South Korea, and Japan are held in Shanghai.

**Aug. 4-7, 2013:** PLA Navy vessel visits a South Korean port as part of training exercises.

**Aug. 5, 2013:** PRC nuclear envoy Wu Dawei holds talks with Japanese counterpart Junichi Ihara in Beijing on the DPRK nuclear issue.

**Aug. 8, 2013:** ROK Ministry of Trade, Industry and Energy announces the closure of the China-ROK district in the Yellow Sea free economic zone.

**Aug. 16, 2013:** Foreign Ministers Wang Yi and Yun Byung-se, hold telephone talks. Wang expresses support for inter-Korean agreement to reopen Kaesong Industrial Zone.

**Aug. 17, 2013:** Chinese state media reports that China has submitted a claim to the UN Commission on the Limits of the Continental Shelf extending the East China Sea continental shelf to the Okinawa Trough.

**Aug. 19-20, 2013:** ROK delegation led by former Prime Minister Lee Soo-song meets Yu Zhengsheng, Chairman of the National Committee of the Chinese People's Political Consultative Conference, and attends the 13<sup>th</sup> China-ROK Elite Forum in Beijing.

**Aug. 20, 2013:** Lee Byung-suk, vice speaker of the ROK National Assembly, meets Zhang Dejiang, Chairman of the Standing Committee of China's National People's Congress, during a visit to China for the 8<sup>th</sup> round of regular parliamentary exchanges.

**Aug. 20, 2013:** Chinese and ROK Trade Ministers Gao Hucheng and Yoon Sang-jick hold bilateral talks on the sidelines of a regional economic meeting in Brunei.

**Aug. 26, 2013:** PRC nuclear envoy Wu Dawei arrives in North Korea for talks with DPRK counterpart Kim Kye Gwan.

**Aug. 27, 2013:** DPRK state media reports that Chinese state-owned automaker FAW Group Corp has signed a letter of intent with the Rason local government to invest in building a car manufacturing factory in North Korea.

**Aug. 28-29:** PRC and ROK Defense Ministers Chang Wanquan and Kim Kwan-jin hold talks on the sidelines of the ASEAN Defense Ministers' Meeting-Plus in Brunei.