

Korea Chair Monitor

March 6 – March 19, 2014

The Korea Chair team takes a biweekly look back at events of interest in Washington, Seoul, and the region.

U.S.-ROK RELATIONS

U.S.-ROK 123 Agreement Extended

The United States announced on March 18 a two-year extension of the U.S.-ROK 123 civil nuclear agreement. The arrangement was set to expire this week and will now be extended until March 19, 2016, taking effect immediately. Over the next two years, both parties will work to renew the terms of the agreement. President Barack Obama signed the bill authorizing the extension into law on February 22, becoming Public Law No: 113-81.

TRADE AND ECONOMICS

Lee Ju-yeol Named New Governor of Bank of Korea

On March 3, President Park Geun-hye named Lee Ju-yeol, a retired 35-year veteran of the Bank of Korea as the new governor of the bank. He last served as the deputy governor under Kim Choong-soo before retiring in 2012 to teach at Yonsei University. During his career at the bank, he had worked at the research, foreign-exchange, and monetary policy divisions. National Assembly confirmation hearings will be held on March 19. Once the hearings are finished, his four-year term will begin on April 1.

Trilateral FTA Negotiations with China, Japan and Korea

The fourth round of talks for a trilateral free trade agreement (FTA) with China, Japan and South Korea were held March 4 to 7 in Seoul. The talks were limited to discussions on the negotiation guidelines for products and the scope of the negotiations. The next round of talks will be held in China in July.

Tenth Round of ROK-China FTA Negotiations Held

From March 17 to 21, South Korea and China are holding a tenth round of bilateral free trade agreement negotiations in Ilsan, Korea. The two countries will discuss the level of market liberalization for products, services and investments. Sensitive items such as agricultural products have proved to be a sticking point in the negotiations. The bilateral pact has been in negotiations since May 2012.

DOMESTIC POLITICS

Former Prime Minister Kim Running for Seoul Mayor

On March 16, former prime minister Kim Hwang-sik officially announced his candidacy for Seoul mayor at the Saenuri Party headquarters. Currently, the other two candidates are Chung Moon-joon, a seven-term lawmaker, and former lawmaker Lee Hye-hoon. The Saenuri party's primary will be held on April 25.



ROK JCS Chairman Adm. Choi Visits Washington

Admiral Choi Yoon-hee, the chairman of the ROK Joint Chiefs of Staff (JCS) arrived in Washington on Sunday, March 9, for a week-long visit. Admiral Choi met General Martin Dempsey, the chairman of the U.S. JCS, on Tuesday, March 11, their first meeting since Adm. Choi took office last October.

Photo credit: U.S. Dept. of Defense.



ROK-Canada Bilateral FTA Negotiations Concluded

On March 11, President Park Geun-hye and Prime Minister Stephen Harper of Canada announced that, after nearly nine years of negotiations, the ROK and Canada have concluded a bilateral FTA. The deal will phase out Canada's tariffs on Korean cars within 2 years while Korea reduces its tariffs on Canadian beef over 15 years. The FTA is expected take effect next year, following official signing of the agreement and domestic ratification in both countries. South Korea is the first Asian country to have a bilateral FTA with Canada.

Photo Credit: Cheong Wa Dae.

DOMESTIC POLITICS *(continued from page 1)*

Coalition for New Politics and Democracy

On March 16, the Democratic Party, the main opposition party, and independent Rep. Ahn Cheol-soo's political group convened their first major gathering. They unanimously elected Kim Hang-gil and Ahn Cheol-soo as coleaders of a preparatory committee for launching a new party and adopted the name "Coalition for New Politics and Democracy."

NORTH KOREA

Short-Range Missile Launches Continue

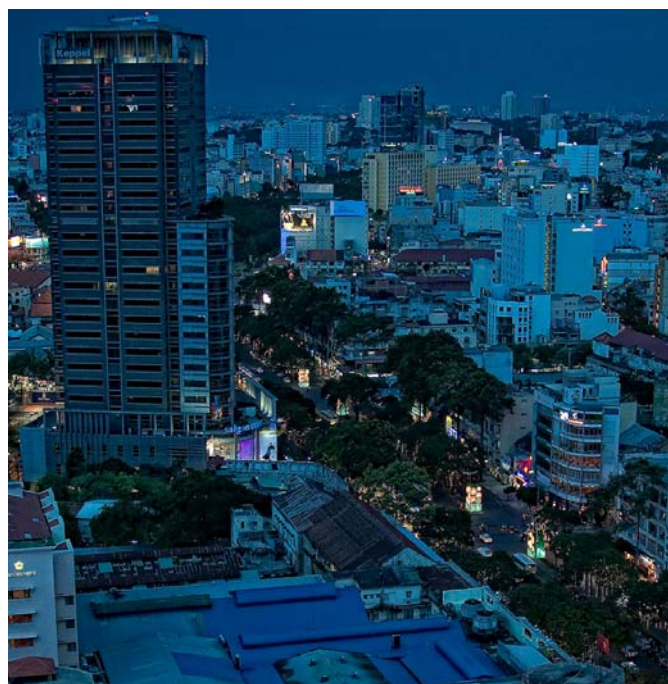
North Korea has continued to launch short-range missiles. North Korea fired 25 rockets on March 16, each travelling approximately 70 kilometers and falling into international waters in the East Sea. The United States has urged North Korea to exercise restraint, while China has stressed an easing of tensions on the peninsula. South Korea's Ministry of National Defense has assessed that further North Korean rocket launches are likely.

March 9 Supreme People's Assembly Elections

North Korea held its first Supreme People's Assembly elections under Kim Jong-un on March 9, an opportunity for the supreme leader to promote officials. Kim Jong-un ran in the Mount Paektu Constituency No. 111, where he received 100 percent of votes cast. Kim Yo-Jong, the younger sister of Kim Jong-un, made a much publicized appearance on state media, appearing alongside the supreme leader and top officials to vote in the elections at the Kim Il-Sung University of Politics.

UN Assistance for Foot and Mouth

Three experts from the United Nation's Food and Agricultural Organization (FAO) arrived in North Korea on March 13 to assist in containing an outbreak of foot-and-mouth disease, after North Korea's request for UN help in late February. The disease continues to spread due to a lack of vaccines, diagnostic means, and disinfectants. After assessing the situation the FAO experts are expected to make recommendation on how to contain the spread of the disease.



Vietnam and South Korea Hold Fourth Round of Free Trade Negotiations

South Korea and Vietnam held a fourth round of negotiations for a bilateral FTA in Ho Chi Minh City from March 12 to 14. Korea and Vietnam have been in negotiations for an agreement since September 2012, with the third round of talks held in Busan in October 2013. Vietnam is South Korea's sixth-largest trading partner and South Korea is Vietnam's sixteenth largest trading partner.

Photocredit: tmalone711's Flickr Stream.

Looking Ahead

Our Friday morning preview of events to watch in the weeks ahead.

- **March 24 - 25** | Nuclear Security Summit takes place at The Hague, Netherlands.
- **Mid-April** | A potential second round of meetings of foreign ministers from five middle-power nations - South Korea, Mexico, Indonesia, Turkey, and Australia - to take place in Mexico.
- **April 15 - 16** | Busan Global Partnership for Effective Development Co-operation will hold its first high-level meeting in Mexico City.
- **April 18** | U.S.-ROK combined field training Foal Eagle exercises conclude.
- **Late April** | U.S. president Barack Obama will visit South Korea during his four-nation Asia trip.

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