



**Asia-Pacific
Economic Cooperation**

2015/SOM3/DIA2/010
Session 1

Rationale and Main Features of China-Korea FTA

Submitted by: China

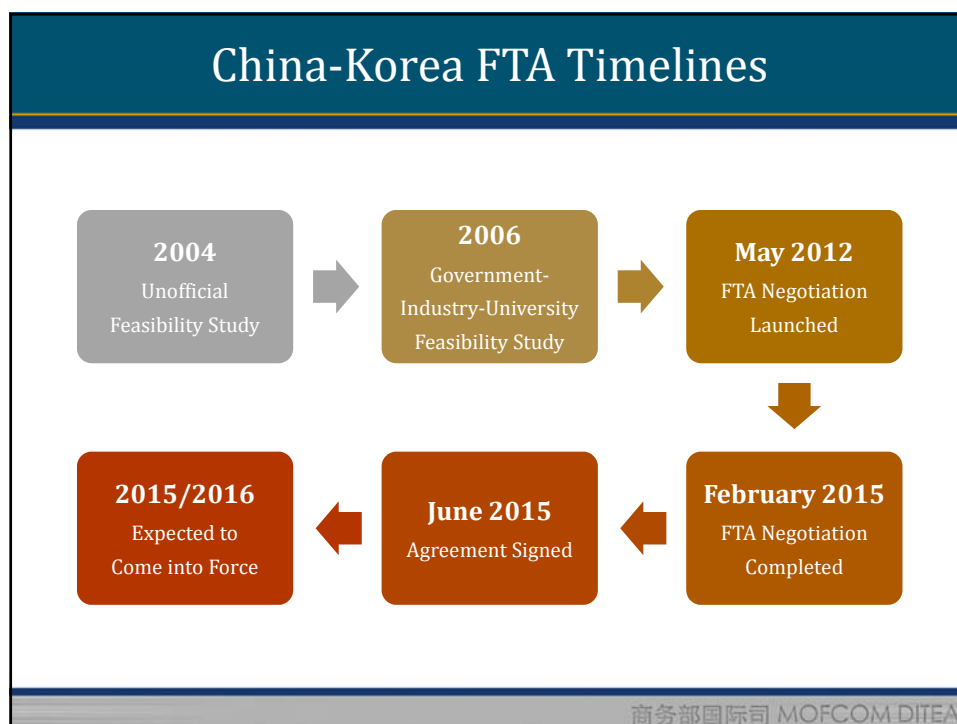


**Dialogue on Regional Trade Agreements and Free
Trade Agreements
Cebu, Philippines
2 September 2015**

MOFCOM DITEA


RATIONALE AND MAIN FEATURES OF CHINA-KOREA FTA

HAN, Yi
Ministry of Commerce of China



Motivations (1)

Geo-Political
Relations



PARTNERS FOR

Common Development	Safeguarding Peace	Revitalizing Asia	Promoting Global Prosperity
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Motivations (2)

Economic
Relations

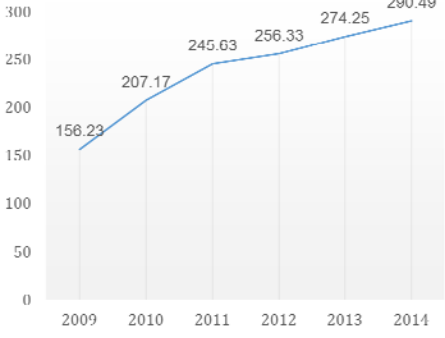
Bilateral Trade
Value ≈ 300 Billion
USD

China is the Largest
Trade Partner
Country of Korea

Korea is the 3rd
Largest Trade
Partner Country of
China

China-Korea Bilateral Trade

(Billion USD)




Year	Trade Value (Billion USD)
2009	158.23
2010	207.17
2011	245.63
2012	256.33
2013	274.25
2014	290.49

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Motivations (3)

Industry Supply Chains

Intra-Industry Trade



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This slide illustrates the motivation for intra-industry trade through industry supply chains. It features a blue double-headed arrow labeled 'Industry Supply Chains' at the top. Below it, the text 'Intra-Industry Trade' is displayed in a large, outlined font. To the right, two interlocking gears are shown: the left gear has the Chinese flag (red with yellow stars), and the right gear has the South Korean flag (white with a red and blue Taegeukgi symbol and black trigrams). At the bottom right, the text '商务部国际司 MOFCOM DITEA' is visible.

Motivations (4)

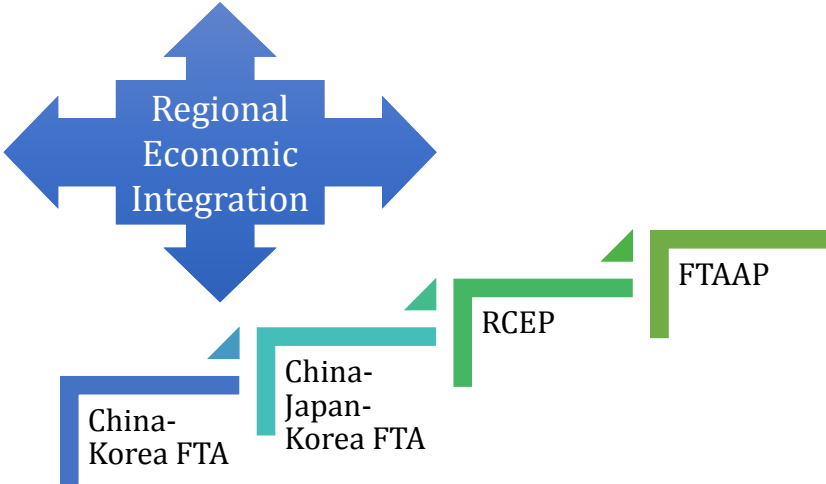
Regional Economic Integration

China-Korea FTA

China-Japan-Korea FTA

RCEP

FTAAP



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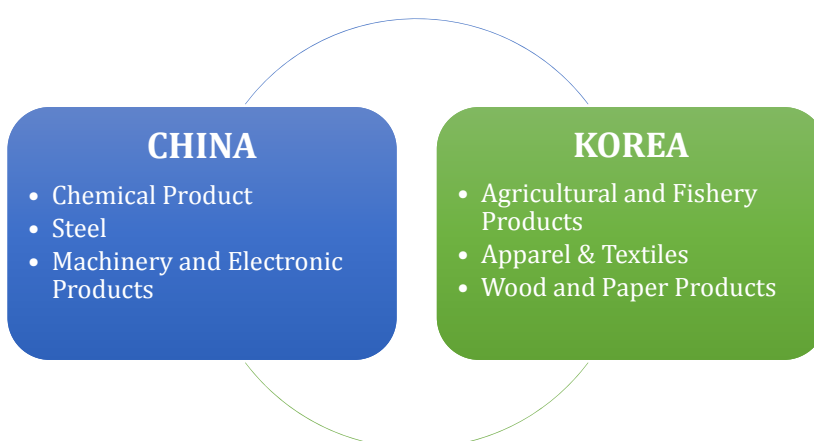
This slide illustrates the motivation for regional economic integration through trade agreements. It features a central blue four-way arrow labeled 'Regional Economic Integration'. Below it, a series of green and blue arrows point from left to right, representing a progression of trade agreements: 'China-Korea FTA', 'China-Japan-Korea FTA', 'RCEP', and 'FTAAP'. At the bottom right, the text '商务部国际司 MOFCOM DITEA' is visible.

Zero Tariff

	CHINA		KOREA	
	Tariff Lines	Import Value	Tariff Lines	Import Value
Agriculture and Fishery Products	93%	56%	70%	40%
Manufactured Products	90%	85%	97%	94%
Total	91%	85%	92%	91%

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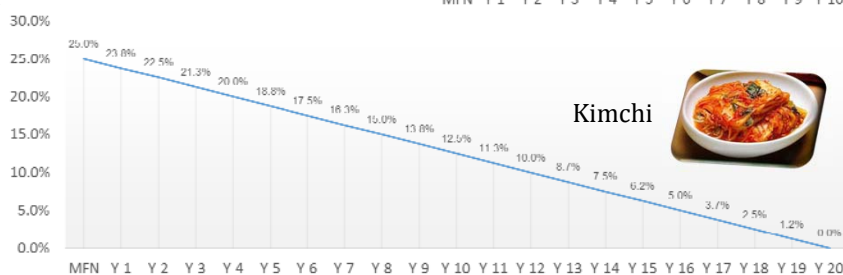
Highly Sensitive Products



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Address Sensitivities (1)

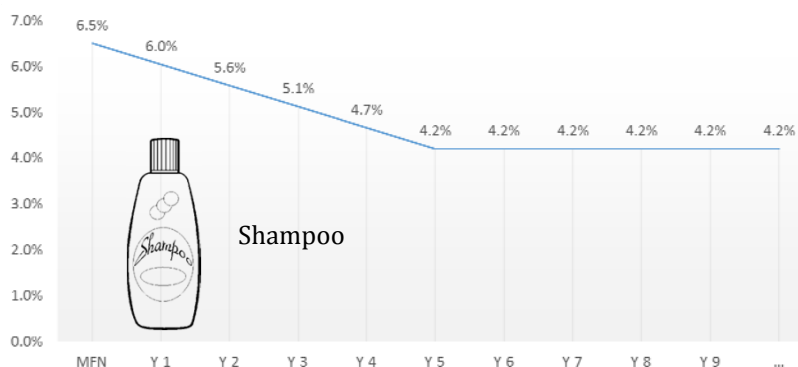
Long Transition
Period &
Non-Linear
Tariff Reduction



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Address Sensitivities (2)

Partial Tariff Reduction



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Address Sensitivities (3)

Country-Specific Quota

- *APPENDIX 2-A-1*

The aggregate quantity of originating goods of China that shall be permitted to enter free of customs duty is specified below.

HSK 2012	Product	Annual Quantity (Metric Tons)
...
1605542091	Seasoned Squid	980
...

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Address Sensitivities (4)

Exclusion



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More Information

FTA.MOFCOM.GOV.CN

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CHINA FTA NETWORK



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THANK YOU

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