

# MAPPING OUT EU-SOUTH KOREA RELATIONS: KEY MEMBER STATES' PERSPECTIVES

## VOLUME II

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## EXECUTIVE SUMMARY

What is the perspective of key EU member states towards South Korea? While EU-South Korea relations have attracted growing attention in recent years, the relationship between key EU member states and the Asian country remain underexplored. This report addresses this omission by describing and analysing the recent evolution of the relationship between Austria, Bulgaria, the Czech Republic, Finland, the Netherlands, Romania and Slovakia, on the one hand, and South Korea on the other. The report covers the areas of economic relations, security relations, bilateral relations and North Korea, and cultural relations. It complements an earlier report covering seven other EU member states published by the KF-VUB Korea Chair in March 2020.

The report shows that the seven key EU member states and South Korea have been strengthening bilateral links and cooperation in recent years. The Lee Myung-bak, Park Geun-hye and Moon Jae-in governments have all presided over stronger relations with key EU member states. Likewise, relations between the EU member states covered in this report and South Korea have also strengthened regardless of the government in power in them. In other words, there is a clear trend that holds regardless of domestic political dynamics.

This suggests that EU-South Korea relations have benefited from the Strategic Partnership agreement signed in 2010 and the FTA applied since 2011. It should be noted that some member states also have their own bilateral strategic partnership or dialogue with South Korea, which shows the extra importance that they afford to relations with the Asian country. Furthermore, it seems that the election of President Donald Trump in 2016 served as a catalyst to further strengthen the relationship between some EU member states and South Korea. This suggests that the unpredictability of US policy under President Trump has provided extra support to EU-South Korea relations. The COVID-19 pandemic has also strengthened the relationship between South Korea and most EU member states covered in this report – or at the very least has laid the groundwork for potentially launching cooperation in new areas.

With regards to *economic relations*, for the most part, trade and investment flows have been growing since the EU-South Korea FTA started to operate. In particular,

there are several EU member states with strong economic synergies with South Korea that have benefited from lower labour costs and good infrastructure to attract South Korean investment. Indeed, South Korea is the largest or second largest Asian investor and job creator in several of the member states covered in this report. Meanwhile, there are other member states that have benefited from the South Korean market's appetite for high-tech goods and machinery.

In the area of *security relations*, the Strategic Partnership has supported a boost in cooperation in the case of some EU member states. But, overall and across the board, there is scope for further development of security relations. There have been some arms sales and some joint work in areas such as cybersecurity, but the relationship between EU member states and South Korea is far from reaching its full potential. Also, NATO could serve as a platform for closer security relations.

Focusing on *bilateral relations and North Korea*, there is support for a common EU position towards Pyongyang based on the existing 'critical engagement approach'. This means that there is support for the use of multilateral and EU sanctions on the North Korean regime. But, crucially, there is also general support for inter-Korean engagement among EU member states. This is seen as beneficial for peace and stability in the Korean Peninsula. On the issue of North Korea, there are also differences between EU member states with a diplomatic presence in Pyongyang and those without one. For the former, this presence reflects long-standing relations with North Korea and a deeper commitment to Korean Peninsula politics.

In terms of *cultural relations*, people-to-people links have become stronger in recent years. Korean studies are fairly underdeveloped across EU member states, but they are becoming more popular. In some cases, the popularity of K-pop is serving to boost cultural links. In this respect, the role of young people on both sides is important, since they are driving cultural and educational exchanges. Another important factor are South Korean tourism flows into Europe. For several member states, South Koreans are the largest or second largest group of tourists coming from Asia.

Overall, EU member states seek stronger coordination and links with South Korea. This applies at the bilateral, EU and multilateral levels. In the case of the Visegrad Group or V4, this is also the case through this platform. However, at present, links seem to be stronger at the bilateral level than at any of the other levels. Since South

Korea is considered a 'like-minded partner' with which there are no political or economic problems, there is potential to develop mutually beneficial deeper links.

There seems to be a lack of extensive mutual knowledge that explains why relations are yet to fulfil their potential. In areas of mutual interest, cooperation is strong. Economic relations are a clear case in point. For some EU member states, addressing the COVID-19 pandemic also is. But in areas where mutual interest is not as obvious and clear-cut, cooperation can be strengthened. Security relations is an example. On both sides, understanding better the other side could help to understand in which areas cooperation is a low-hanging fruit ready to be taken.

This report suggests that stronger cooperation in recent years therefore flows from mutual interests rather than values. The latter matter insofar they smooth relations, prevent conflict and do not interfere in the existing willingness to work together. There is a question as to whether the EU member states covered in this report and South Korea want to have a value-driven approach to their relations, or whether they are content with an interest-only driven relationship. Either way, cooperation is likely to continue to grow for years to come.

#### RECOMMENDATIONS FOR SOUTH KOREA

- Ensure a smooth transition across administrations when it comes to Europe policy, considering that Europe is increasingly important for Seoul and non-divisive.
- Appoint a MOFA special envoy for coordination with Europe sitting in Office of the President strategic meetings, with a remit including the EU, EU member states, NATO, the UN and other international organisations.
- Address the expertise deficit among policy-makers, especially, and civil society to enhance knowledge about EU member states, based on key indicators coming out of the Strategic Partnership.
- Proactively identify areas for cooperation with specific EU member states or groups of member states, without feeling constrained by the existing EU

dialogue and cooperation (or 'EU straightjacket').

- Proactively work together and liaise with the EU and its member states to come up with common positions in multilateral organisations.
- Enhance cooperation on social policy issues affecting both South Korea and EU member states, such as ageing, migration or healthcare.
- Discuss, learn from each other and coordinate post-COVID-19 pandemic economic growth based on green growth and the environment, as well as innovation and technology.
- Promote cooperation at the multilateral level to address and mitigate the effects of US-China rivalry, and to prevent Europe and South Korea potentially becoming theatres of competition.