

# The tenth anniversary of the EU-ROK Strategic Partnership: Successes, Failures, and Prospects

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The EU and South Korea are celebrating the tenth anniversary of their strategic partnership this year. Throughout the past decade, South Korea has become the Asian country with the deepest relationship with the EU. It was the first country in Asia to sign and implement a free trade agreement with the EU, which also doubled down as the EU's first-even new generation FTA. Brussels and Seoul also have a Framework Agreement in place to underpin their political relations. Furthermore, the EU and South Korea have also signed and implemented a Crisis Management participation agreement allowing South Korean troops to join EU missions. As of 2020, South Korea is the only Asian country with these three key agreements covering economic, political, and security relations with the EU in operation.

Without doubt, economic relations are the area in which EU-South Korea relations have made the most progress. As the recent Korea Matters for Europe/ Europe Matters for Korea publication put together by the KF-VUB Korea Chair with three partners shows, bilateral trade in goods went up by 20 percent between 2010, the year when the FTA was signed, and 2018. The EU and South Korea are both among the top ten trading partners of each other. Furthermore, the EU's investment stock in South Korea increased by 50 percent during this period, while South Korean investment in EU member states shot up by 187 percent. The EU is the largest foreign

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investor in South Korea, and South Korea is amongst the top investors across several EU member states – and in some cases it is the top Asian investor, especially across Central and Eastern Europe.

What does this mean in practice? If one were to go back to the early 2000s, (s)he would see that spotting a BMW or a Mercedes in the streets of Seoul or Busan was rare. Not anymore. If one wanted to get a bottle of good Italian or Spanish wine, (s)he would

have had to spend a small fortune. Now one can pop to the corner shop and choose a good bottle of wine for a cheaper price. In the opposite direction, European workers coming out of a Kia, Hyundai, or Samsung factory can thank the FTA for the growing job opportunities coming their way. These practical outcomes of the FTA matter. They give substance to the bilateral relationship in a way that both Europeans and South Koreans can easily grasp. Certainly, the FTA has not been the only reason why economic links have strengthened. Market forces matter as much, if not more. But the FTA has supported and underpinned the growth in trade and investment links.

Furthermore, the FTA has served to boost cooperation between the EU and South Korea in multilateral economic institutions. Above all, the two of them have similar views about the importance of trade multilateralism. It should have come as no surprise that earlier this year the EU and South Korea supported the launch of an alternative WTO Appellate Body – after the Donald Trump administration paralysed the main body by blocking the appointment of new judges. In addition, the EU and South Korea cooperate in multilateral initiatives such as implementation of the Paris climate change agreement or post-COVID-19 pandemic green growth initiatives. Years of bilateral expert dialogues and learning from each other underpin this cooperation.

It remains to be seen whether the EU and South Korea will be able to upgrade their FTA though. Discussions on this issue have become stalled. But from Brussels' perspective, the FTA with South Korea should be upgraded to incorporate issues such as e-commerce or deepening the coverage of investment measures. The FTA with South Korea served as the model for the EU's FTAs with Japan and Singapore; now these two agreements are potential models to upgrade the South Korea deal. As for South Korea, President Moon Jae-in's recent acknowledgement that Seoul is considering whether to join CPTPP suggests that his government stands ready to be part of deeper trade deals. This could serve as an entry point for South

Korea to consider upgrading its FTA with the EU.

Political relations is the area in which EU-South Korea links have been more directly affected by the Strategic Partnership over the past ten years. Thanks to their Framework Agreement, Brussels and Seoul have developed a network of over 35 dialogues. At least a dozen of them have a clear political component. They include Foreign Minister-level meetings and dialogues in areas such as cooperation and development, cyber, or human rights. These dialogues serve experts on both sides to discuss their points of view and initiatives on the issues under discussion. According to participants from both the EU and South Korea, dialogues serve to find common positions that then can also be shared in multilateral fora, such as the United Nations. It helps that the EU and South Korea tend to have common positions, along with other countries such as Australia, Canada, Japan, or the United States.

Having said that, there is one sticking point when it comes to political relations: North Korea policy. The EU's 'critical engagement' approach includes reducing tensions in the Korean Peninsula among its three key goals, along with upholding the nuclear non-proliferation regime and improving the human rights situation in North Korea. But it is no secret that the EU has prioritised sanctions over engagement in recent years, and that its focus on North Korea's nuclear programme has led it to provide little if any practical support for inter-Korean reconciliation. Since North Korea policy obviously is a priority for Seoul, the position of the EU – which, it should be said, some member states would like to become more flexible – has put it at odds with the Moon Jae-in government. Considering that a majority of South Koreans continue to support diplomacy with North Korea, it is likely that Seoul will continue to prioritise engagement for years to come. This could eventually create tensions with the EU if Brussels continues to focus on pressure and sanctions.

Security is an area in which the EU and South Korea

have the greatest scope to develop their existing relationship. Cooperation between both was very limited until the launch of the United Nations' international mission to fight piracy off the coast of Somalia, in 2011. Since then, EUNAVFOR and the ROK Navy have conducted joint missions and training exercises. And thanks to the Crisis Management participation agreement, South Korean navy officers can join EUNAVFOR. Cooperation off the coast of Somalia is a very solid base to improve security links.

Indeed, EU-South Korea security relations are now poised to strengthen substantially thanks to the EU's 2018 decision to launch an Asia security strategy. Focusing on maritime security, cyber security, hybrid threats, conflict prevention, and the proliferation CBRN weapons, this strategy is driven by Europe's realisation that it cannot reap the benefits of stronger trade and investment links with Asia while ignoring security matters in the region. The EU has identified South Korea as one of its key partners to share capabilities and knowledge in these security areas. On the South Korean side, interest in cooperation with Europe in these matters stems from Seoul's wish to diversify its security links and to develop, and use, more independent military capabilities – even if the ROK-US alliance continues to be a crucial component of its security policy.

Furthermore, the EU has also become more worried about the rise of China and its security implications. And its position does not differ much from South Korea's, which became more aware of the potential negative consequences of China's rise after Beijing imposed economic sanctions on Seoul after the Park Geun-hye government agreed to the deployment of Washington's THAAD system on South Korean territory. In short, both the EU and South Korea are against isolating China and see scope for cooperation through multilateral fora. They also wish to continue to develop economic links with the Asian giant. But they want to check and contain what they perceive to be China's aggressive behaviour. And they are willing to work with partners to do so. It is therefore unsurprising that Brussels and Seoul joined a recent foreign ministers meeting convened by NATO to discuss China.

Overall, the tenth anniversary of the EU-South Korea Strategic Partnership should be cause for celebration. It has helped bilateral ties to reach new heights. It embodies both the EU's growing presence in Asia and Seoul's increasingly multifaceted foreign policy. Certainly, there are areas in which ties could be stronger. But so far, the EU and South Korea have shown their commitment to an ever-deeper relationship. This bodes well for the future.

The KF-VUB Korea Chair ([www.korea-chair.eu](http://www.korea-chair.eu)) at the Institute for European Studies ([www.ies.be](http://www.ies.be)) is the primary contact point in Europe on policy issues related to the Korean Peninsula and plays a strategic role in furthering Europe-Korea relations.

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