

KORUS Special Session to Be Held in October

September 22, 2017

A day after South Korean Trade Minister Kim Hyun-chong met with U.S. Trade Representative Robert Lighthizer, the parties have set a special second session of the Korea-U.S. Free Trade Agreement (KORUS) joint committee for October 4, 2017, in Washington.

The first special session of the KORUS joint committee (the first meeting of its kind under the agreement) took place in August, at USTR Lighthizer's request, and focused on the U.S. goods trade deficit with South Korea. Trade Minister Kim did not agree to amend KORUS as suggested by the United States, but did propose a joint study on the impact of KORUS and the cause of the U.S. bilateral trade deficit.

That first session was followed on September 1st by news that the Trump Administration was "seriously considering" withdrawing from the agreement. A bi-partisan letter from Congress and several industry groups have urged President Trump to avoid such a move. Since then, the White House has reported that KORUS is "going through a normal review process" that would not result in any imminent change in policy. During a joint public appearance by President Trump and South Korean President Moon Jae-in on September 21st, both leaders noted the continuing work on KORUS, with President Trump stating that the two sides were "going to try and straighten out the trade deal and make it fair for everybody."

KORUS entered into force in March 2012. Korea is currently the United States' 6th largest trading partner. In 2016, the United States' goods trade deficit with Korea stood at \$27.7 billion, down 2.3% from 2015. That same year, the United States had a services trade surplus with Korea of \$10.7 billion, up 2.6% from 2015.