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DPM CHOO MEETS WITH EXECUTIVE VICE-PRESIDENT OF EUROPEAN COMMISSION

Deputy Prime Minister Kyungho Choo met with Valdis Dombrovskis, the Executive Vice-President of the European Commission¹ on November 1 to discuss bilateral cooperation measures and current trade issues² including supply chain and economic security as well as the Carbon Border Adjustment Mechanism (CBAM).

DPM Choo noted that as Korea and the EU celebrated the 60th anniversary of diplomatic relations, strategic partnership of the two countries has deepened as indicated by the leaders' summit held in May and bilateral trade has reached its largest scale ever³. He also welcomed the official commencement of negotiations for the Korea-EU Digital Partnership as of October 31.

DPM Choo expressed his expectation for stronger bilateral cooperation in the field of economic security amid escalating uncertainties in the global supply chain.

Furthermore, he stressed that the environmental and trade-related legislation being pursued by the EU and its member states, including the EU CBAM⁴, should not lead to discrimination against the countries outside the EU. He particularly emphasized closer cooperation to ensure that the CBAM does not impose excessive burden on businesses.

Lastly, DPM Choo asked for EU's full support for Busan to succeed in its bid to host the World Expo 2023.

Valdis Dombrovskis recognized the achievements made between the two sides over the past 11 years since the Korea-EU FTA entered into force and acknowledged the need to strengthen partnership between the two countries in response to the uncertainties in the global economy derived from the Russia-Ukraine war. He also mentioned that he would take into account Korea's position in the CBAM implementation bill as well as other future legislative and institutional processes of the EU.

¹ The Executive Vice-President for economy and trade among the three Executive VPs in the European Commission.

² WTO cooperation, Critical Raw Materials (CRM) club, renewable energy, sanitary and quarantine measures.

³ Total Korea-EU trade (\$100 million): 1,068 (2018), 989 (2019), 1,027 (2020), 1,295 (2021) 1,363 (2022)

⁴ The CBAM is EU's tool to put a carbon price on the carbon emitted during the production of 6 carbon intensive goods including steel and aluminum that are entering the EU.