

JOINT STATEMENT:

The 4th Republic of Korea-United States Senior Economic Dialogue

Seoul, November 6, 2019

The 4th Republic of Korea (ROK) - United States Senior Economic Dialogue (SED) was held in Seoul on November 6, with Vice Foreign Minister Lee Taeho and Under Secretary of State for Economic Growth, Energy, and the Environment Keith Krach leading their respective delegations. The 4th SED provided an opportunity to take stock of progress and explore avenues to further cooperation between the ROK and the United States, particularly in line with the New Southern Policy (NSP) of the ROK and the Indo-Pacific Strategy (IPS) of the United States.

In this vein, the ROK and the United States welcomed the Joint Fact Sheet adopted by the two countries at the East Asia Summit in 2019, held in Bangkok on November 4, which affirmed the two sides' ongoing efforts under the SED. Both sides intend to continue their close coordination through the SED to further strengthen bilateral economic ties and enhance their partnership on regional and global issues.

I. Bilateral Issues: Economic Relationship

The ROK and the United States affirmed the strength of the bilateral economic relationship, which is a core pillar of the ROK-U.S. relationship. Based on this firm foundation, both sides confirmed their commitment to continue expanding bilateral economic cooperation and commercial ties:

- In 2018, the ROK and the United States two-way trade of goods and services totaled more than \$167 billion. The ROK is now the United States' seventh-largest trading partner and the U.S. is the ROK's second-largest trading partner.
- Both sides also stressed the importance of investment and acknowledged that increasing investment by Korean companies in the United States has contributed to a strong and constructive economic relationship. Major recent investments by Korean firms include: \$3.1 billion by Lotte Chemical to build a petrochemical facility in Louisiana; a \$1.67 billion electric vehicle battery plant in Georgia that SK Group broke ground on in March 2019.

II. Regional Issues: New Southern Policy and Indo-Pacific Strategy

Building on the strong foundation of existing bilateral economic ties, both sides shared a commitment to forge a broader strategic economic partnership that encompasses cooperation on development, infrastructure, science and technology, digital connectivity, energy, and smart cities. Towards this goal, both sides have put forward cooperative efforts under the NSP of the ROK and the IPS of the United States, in line with the principles of openness, inclusiveness, transparency, and respect for international law.

Development Cooperation

- The ROK and the United States share a commitment to enhancing the management of water resources in the Mekong region to improve mitigation of floods and droughts. The ROK Ministry of Foreign Affairs (MOFA) and the Korean Water Resources Corporation (K-water) are working

with the Department of State, U.S. National Aeronautics and Space Administration (NASA), U.S. Army Corps of Engineers, and implementing partners to design new tools as well as training and capacity-building exercises for secure data-sharing to support this effort.

- To bring together our respective expertise and deepen existing cooperation, on September 30, 2019 the ROK MOFA and the U.S. Agency for International Development (USAID) signed a Memorandum of Understanding (MOU) prioritizing the expansion of collaboration and coordination in the field of development, in consideration of the Republic of Korea's New Southern Policy and the United States' Indo Pacific Strategy. The MOU showcases democratic, shared values and a commitment to supporting governments, civil society, and the private sector in countries on their journey to self-reliance. The MOU strengthens cooperation in areas such as women's empowerment, digital economy, youth, health, and the education sectors.

Infrastructure

- The ROK Ministry of Economy and Finance and the U.S. Department of Treasury signed an MOU to Strengthen Infrastructure Finance and Market Building Cooperation on October 17, 2019. The MOU seeks to further bilateral cooperation, catalyze private sector investment in infrastructure in the Indo-Pacific and Latin America, and develop efficient and effective local debt and capital markets.
- The Republic of Korea's Overseas Infrastructure and Urban Development Corporation (KIND) and the U.S. Overseas Private Investment Corporation (OPIC) committed to further collaboration in the Indo-Pacific region and intend to formalize this collaboration through the signing of an MOU.

S&T and Digital Connectivity

- The ROK Ministry of Science and ICT and the U.S. Department of Homeland Security signed an MOU on October 23, 2019 on cooperation in science, technology and information communication technology. The goal of the partnership is to promote substantial cooperation through joint research, researcher exchanges, and conferences between relevant organizations of both countries such as research institutes, universities and R&D related public agencies.
- To help ASEAN economies better prepare for the 5G era, the Republic of Korea's Ministry of Foreign Affairs and the U.S. Department of State worked in partnership with the private sector to provide joint training for ASEAN member countries and other Indo-Pacific partners on the policy frameworks required to support 5G deployment in May 2019.

Energy and Smart Cities

- The ROK MOFA and the U.S. Department of State have held the ROK-U.S. Energy Security Dialogue every year since 2013. Within the framework of the ROK-U.S. Energy Security Dialogue, both sides agreed to an Enhanced Partnership on Energy to strengthen the energy security of allies and partners, reinforce the institutional foundations needed for energy investment and trade, and promote innovation in energy technology and solutions.
- Following the sixth Energy Security Dialogue held in Jeju in 2019, the ROK MOFA and the Ministry of Land, Infrastructure and Transport held a working-level roundtable on October 2,

2019, with the U.S. Embassy in Seoul. This event, involving public and private sector representatives, explored ways to achieve concrete cooperation on joint projects under the NSP and the IPS, particularly in energy, infrastructure, digital connectivity, and smart cities.

- In coordination with the ASEAN Smart Cities Network and the U.S.-ASEAN Smart City Partnership, the ROK is committed to contributing to the establishment of smart cities in the region, including through the Korea Overseas International Cooperation Agency (KOICA) flagship project in Tam Ki city, Quang Nam Province in Vietnam.

III. Global Partnership: Health, Environment, and Women's Economic Empowerment

Reaffirming that cooperation on global issues is an increasingly important and expanding pillar of the ROK-U.S. Alliance, both sides held in-depth discussions on various ways to expand cooperation on global issues including health security, environmental protection, and women's economic empowerment. Both sides shared a commitment to advancing substantive cooperation through the SED platform.

Global Health Security

- The ROK Ministry of Health and Welfare and the U.S. Department of Health and Human Services continue close collaboration on global health security efforts, including through their participation in the multilateral Global Health Security Agenda (GHSA). As part of this collaboration, the U.S. Centers for Disease Control and Prevention (CDC) and KOICA, with technical support from the Korea CDC (KCDC), held a GHSA symposium in Seoul in August 2019 to discuss capacity-building efforts in Cambodia and Ghana, including ways to elevate and build on this work. The U.S. CDC and KCDC signed a MOU in October 2019 to advance this cooperation. In August 2019, the ROK also joined the worldwide Anti-Microbial Resistance (AMR) Challenge, which was launched by the U.S. during the 2018 UN General Assembly.

Environment

- The ROK Ministry of Environment and the U.S. NASA are planning to release a final report on the Korea-U.S. Air Quality Study (KORUS-AQ). The ROK and the United States will continue to work closely to promote environmental cooperation through the United States-Republic of Korea Environmental Cooperation Agreement and the Korea-United States Free Trade Agreement Environment Chapter.
- The ROK and the United States' recent collaboration in the APEC Oceans and Fisheries Working Group resulted in the adoption of a Marine Debris Roadmap, co-sponsored by the ROK. The United States and ROK intend to continue cooperation on the issue of marine debris in APEC, including through the U.S.-created APEC Marine Debris Management and Innovation Sub-Fund, which gives APEC economies a dedicated resource to support collaboration and promote innovative solutions to address marine debris.

Women's Economic Empowerment

- The ROK's MOFA and the Ministry of Gender Equality and Family (MOGEF) hosted the Women's Economic Empowerment Around the World conference in Seoul in June 2019. The meeting offered an opportunity for the ROK and the United States to discuss ways to empower women around the world, including in developing countries, in line with the Women's Global

Development and Prosperity initiative (W-GDP).

- Building on this engagement, MOFA, MOGEF, and the U.S. Department of State endorsed an action plan outlining a shared vision for future cooperation to promote women's economic empowerment in the ROK and throughout the region. An important component of this cooperation is expected to include consulting ROK and U.S. private sector entities to elevate the issue at corporate levels.
- The ROK and the United States— in partnership with the Asia Foundation – committed to hosting a U.S.-ROK-Japan trilateral conference on Women in STEM (Science, Technology, Engineering, and Math) Leadership in Spring 2020 in the United States. The conference seeks to promote cooperation and expand knowledge, leadership, and networks, while advancing an enabling environment for women in STEM fields. This event builds on the goals announced at the 2016 U.S.-ROK-Japan trilateral conference on women's economic empowerment.

IV. Future Work

While noting their shared goal of bolstering economic cooperation in line with the NSP and the IPS, and appreciating the SED as the highest economic platform to discuss bilateral, regional, and global cooperation, both sides committed to continue efforts to make progress in the aforementioned areas through the SED. The United States and the ROK intend to continue close coordination, including cooperation at the project level, by holding a working-level dialogue led by the Director General of the ROK MOFA and the Deputy Assistant Secretary of the U.S. State Department. The two sides look forward to scheduling the 5th SED and the 4th Public-Private Economic Forum in Washington D.C. in 2020.