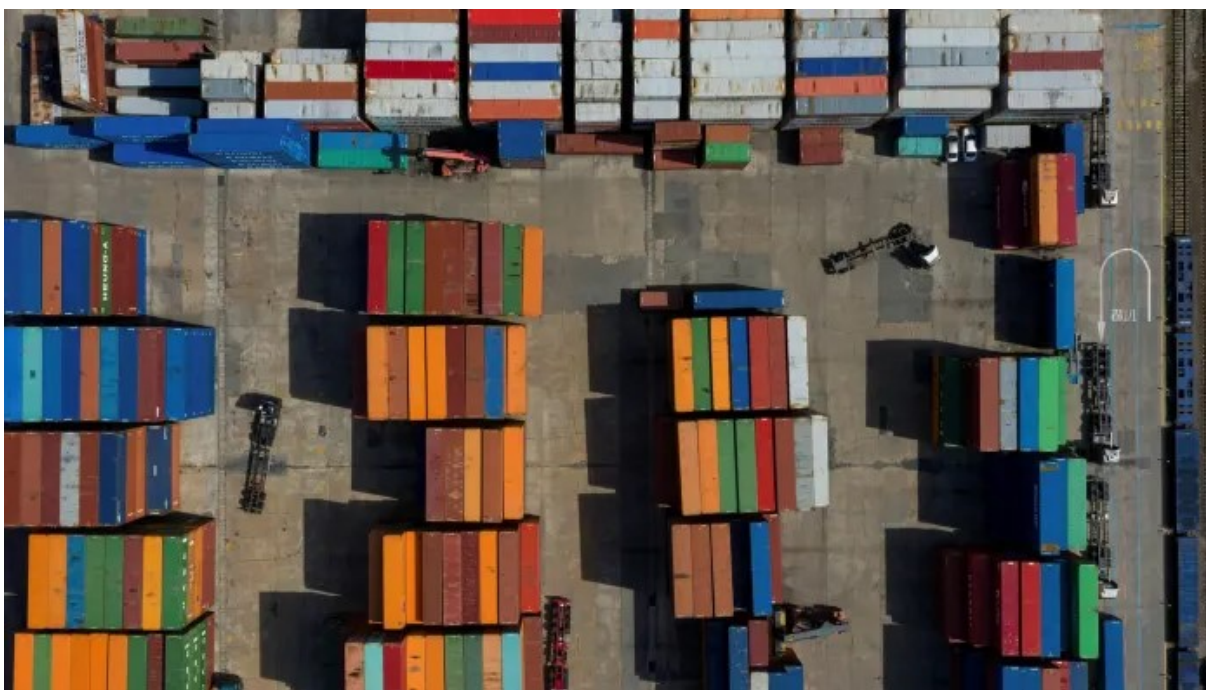


Comprehensive and Progressive Agreement for Trans-Pacific Partnership

South Korea applies to join CPTPP in wake of China's bid

Seoul's fears of angering biggest trading partner eased as Beijing seeks membership in regional pact



South Korea is a big exporter but has typically avoided joining multilateral trade agreements © SeongJoon Cho/Bloomberg

Christian Davies and **Song Jung-a** in Seoul 6 HOURS AGO

South Korea will begin the application process to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, the country's finance minister said on Monday, after China's bid to the regional trade pact assuaged Seoul's fears of upsetting its biggest trade partner.

Hong Nam-ki said on Monday that South Korea could "no longer discuss the issue just within ministries because of the recent active changes in the economic orders in the Asia-Pacific region, such as the applications of China and Taiwan to join the CPTPP".

Earlier, Kwon Chil-seung, South Korea's minister for small and medium enterprises, told the Financial Times that concerns within the government about joining the CPTPP had been resolved, paving the way for the country's application.

"The SME ministry and agriculture ministry had been relatively cautious, but a decision has been made internally at a collective government meeting to join the CPTPP," he said.

"The time has come," Korean trade minister Yeo Han-koo told the FT. "Korea has a lot to offer to the CPTTP as a high tech industrial powerhouse in areas like semiconductors and batteries, among others."

members as reliable producers and partners, he said.

The [CPTPP was signed in 2018](#) as a successor to the Trans-Pacific Partnership, a trade agreement negotiated by former US president Barack Obama and designed to limit Beijing's growing economic and political influence in the region.

Donald Trump [withdrew](#) the US from the pact in 2017. The TPP evolved into the CPTPP, which was signed the following year but does not include the US.

South Korea had been hesitant about joining either agreement, in part to avoid damaging relations with Beijing.

Ministers have also been reluctant to provoke important domestic constituencies ahead of a [presidential election](#) in March. South Koreans working in the agriculture, fisheries and SME sectors have expressed opposition to the pact because of fears of intensified foreign competition.

China itself [applied to join](#) the CPTPP in September, a day after the US, UK and Australia announced a new military partnership designed to counter Beijing's military assertiveness in the region. Taiwan [applied to join](#) the CPTPP less than a week later.

"The process seems to be held up because of the government's reluctance to take risks with further market opening, and with the presidential election just three months away," said Cheong Inkyo, a trade expert at Inha University.

"But its sense of urgency has increased now that China and some other countries submitted applications."

A senior diplomat from a country that is a party to the CPTPP added: "The Chinese and Taiwanese applications changed the dynamic."

According to a 2019 policy brief published by the Peterson Institute for International Economics, a Washington-based think-tank, South Korea would gain \$86bn annually from membership.

"South Korea cannot keep watching trade diversion to other countries and be excluded from the global supply chain," said Choi Byung-il, a former Korean trade negotiator and professor at Ewha Womans University in Seoul.

A potential obstacle for South Korea is its difficult relations with Japan.

South Korea's decision to join the agreement follows a broader shift towards multilateral trade agreements, which the country has traditionally chosen not to join. Seoul is in the [process of ratifying](#) the Regional Comprehensive Economic Partnership, a separate regional agreement led by China that includes 15 Asian countries.

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