

## KOREA

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# The Korea-New Zealand Free Trade Agreement: Both Playing a 'Win-Win' Game of Catch-up

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### 1. Introduction

On March 23, 2014, John Key, New Zealand's prime minister, officially signed the Free Trade Agreement ("FTA") between Republic of Korea and New Zealand in his visit to Korea.<sup>1</sup> The Korea-New Zealand FTA ("ROK-NZ FTA") was finally concluded on November 2014 when the leaders of both countries met in the G20 summit held in Australia.<sup>2</sup> With nine official rounds of negotiations, the deal had been tough to reach an agreement, having taken more than five years to conclude. As shown in Tables 1 & 2, Korea is New Zealand's 12th FTA partner, while New Zealand is Korea's 13th counterpart in signing a bilateral trade deal. In his speech in a business forum held in Seoul, Prime Minister John Key said that Korea is New Zealand's 5th export market, and his country is very keen in expanding bilateral trade relationships particularly in investment, tourism, and education sectors.<sup>3</sup> As Korea is one of major exporters in manufacturing sector and New Zealand has its competitive edge in agricultural sector, both countries truly has 'interdependent' trade structure with similar size of

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<sup>1</sup> A. Young, South Korea Free Trade Agreement boost for NZ exporters, N.Z. HERALD, Mar. 23, 2014, available at [http://www.nzherald.co.nz/business/news/article.cfm?c\\_id=3&objectid=11421424](http://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11421424) (last visited on Apr. 17, 2015).

<sup>2</sup> Mary Park, *New Zealand Now South Korea's 13<sup>th</sup> Free Trade Partner*, BUSINESS KOREA, Mar. 24, 2015, available at <http://www.businesskorea.co.kr/article/9764/knz-fta-new-zealand-now-south-koreas-13th-free-trade-partner> (last visited on Apr. 17, 2015).

<sup>3</sup> See New Zealand's Prime Minister's Speech at Business Forum held in Seoul, Korea, available at [http://www.kita.net/info/press/view\\_kita.jsp?pageNum=1&nGubun=3&sClassification=01&rowCnt=20&sNo=6219](http://www.kita.net/info/press/view_kita.jsp?pageNum=1&nGubun=3&sClassification=01&rowCnt=20&sNo=6219) (last visited on Apr. 17, 2015).