MEMBER OF THE EUROPEAN COMMISSION

Brussels, 0 7 FEV. 2017

Dear Mr. Stoev, Mr. Jenkins and Ms. Dusepulchre,

Thank you for your letter of 16 December 2016 concerning the Trade and Sustainable Development chapter of the EU-Korea FTA.

I am aware of the issues and concerns raised in your letter regarding the respect of freedom of association and the right to collective bargaining in Korea. I share those concerns and I therefore raised this with my Korean counterpart most recently during the EU-Korea Trade Committee meeting on 16 December 2016. I made very clear that the EU expects to see progress on labour rights, including the ratification of core ILO conventions. I underlined that the EU would like to improve the situation through engagement and dialogue, but that if this proves to be ineffective, we will not hesitate to explore other means to address the situation. The Commission has raised explicitly labour rights and the ratification of the ILO core conventions at all relevant occasions and will continue to do so.

At the same time let me recall that at least some progress has been made in the context of the EU-Korea FTA. The EU has engaged in dialogue with Korea in meetings of the Committee on Trade and Sustainable Development, and next such meeting is due to be organised soon. Importantly, we have also been able to associate the ILO to these discussions. The respective Domestic Advisory Groups of the EU and Korea have been formed and have had regular joint meetings in the Civil Society Forum. This has brought all actors together around the same table, which was far from obvious, given Korea's initial reactions to such events. Furthermore, a specific cooperation project has been launched with Korea on the implementation of ILO Convention 111 on discrimination in employment and occupation. This project is underway and should provide a basis to engage more closely with Korean authorities. I would also like to highlight that we have had good and productive engagement with Korea with regard to the environmental aspects of the Trade and Sustainable Development chapter, for example on Emissions Trading Systems, the circular economy and illegal logging.

Mr. Georgi Stoev Mr. Thomas Jenkins Ms. Gaelle Dusepulchre EU Domestic Advisory Group Care of EESC

JDE 3007, rue Belliard 99

1040 Brussels

I attach very high importance to the implementation of the Trade and Sustainable Development chapter of the EU-Korea FTA. This should in a first instance be based on dialogue and cooperation, also in other fora such as the ILO and the OECD, as I believe this is the best way of achieving long-term results, in particular on issues which may be sensitive to one of the parties. In reflecting on how to best engage with Korea, we also need to be mindful of the current domestic political turmoil the country is experiencing, with legislative elections expected to take place in the forthcoming months. At the same time, the Commission remains determined to encourage Korea to improve the situation on labour rights, and your letter provides useful insights in that respect.

The Commission will continue to engage with the EU Domestic Advisory Group and I count on you to continue to play your full role in advising the EU and Korea on issues related to this important part of the agreement. I would welcome if you could continue to keep me informed of developments in Korea.

Yours; sincerely,

Cecilia Malmström