
KOREA-CANADA FORUM 2014

제12차 한국-캐나다 포럼 결과 보고서

Future Ahead:

Deepening Korea-
Canada Partnership
in a Changing World

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Overall Summary

종합 결과 보고

제 12차 한국-캐나다 포럼은 양국 관계에서 두 가지의 중요한 변화가 있던 시점에 개최되었다. 2014년 9월 22일 오타와에서 박근혜 대통령과 스티븐 하퍼 총리의 한-캐나다 자유무역협정(FTA) 서명식이 있었고, 또한 이 날 공동기자회견에서 양국의 지도자들은 양국 관계를 “전략적 협력관계(Strategic Partnership)”로 격상시켰다. 이에 따라 포럼의 주제는 새로운 전략적 협력관계의 방향을 가늠하는 동시에, 그 잠재력을 충분히 실현시킬 방안을 논의하는 내용으로 선정되었다.

제 1세션과 2세션에서는 FTA가 양국 간의 무역 및 투자증대뿐만 아니라, 글로벌 생산분업 체계(GVC: Global Value Chain)를 통한 제 3시장 진출을 포함한 기회와 가능성에 대해서 토론했다. 그 결과, 기업의 건설적인 노력, 정부의 적극적인 지원, 그리고 FTA로 인해 생겨난 광범위한 기회와 조건에 대한 전반적인 인식 없이는 강화된 경제적 상호 교류가 실현되지 않을 것이라는 결론에 도달했다. 경제성장의 엔진이 중소기업에 초점이 맞춰진 현재의 상황에서 특히 양국의 혁신과 기술의 결합을 도모하는 것이 유망하다는 의견이 있었다. 혁신은 또한 제 4세션의 “에너지 안보 및 기후 변화를 위한 협력”에 관한 토론에서도 주요 테마로 등장하였는데, 에너지 수요공급 영역에서 양국 산업의 상호보완성이 청정 기술 분야에서의 제휴에 의해 확장 될 수 있다는 의견이 개진되었다.

아시아 태평양 지역의 복잡한 평화와 안보 문제와 관련해서는 최근 구조적 재편이 이루어지고 있다는 점이 제기되었다. 이에 따라 아시아 태평양 지역에 대한 이해도를 높이고 긴장을 완화시키기는 데 있어서 한국-캐나다 협력이 가지는 가능성에 대한 추가적인 연구가 필요하다는 의견이 제시되었다. 특히 정책적인 접근 방식의 혁신이 필요하다는 의견도 있었다. 많은 참가자들은 양국협력이 경제, 사회문화영역의 단순한 기능적 협력을 뛰어넘는 “전략적 협력관계”가 이러한 혁신이 촉진 될 수 있는 새로운 기제를 제공할 것이라는 의견에 동의하였다.

마지막으로, 양국 모두가 갖고 있는 문화 및 사회 정책에 관한 논의가 있었다. 구체적으로는 이민 정책과 다문화 사회에 대한 캐나다의 경험을 한국이 참고할 필요성을 논의하였으며, 아울러 사회 통합 및 청소년의 국제화에까지 상호 협의와 경험의 공유가 있었다. 아울러 대학 교육에 대한 논의가 있었으며, 한국의 영어교육에 참여하는 캐나다 교사들의 역할에 관한 언급이 있었다. 이를 통해 한국-캐나다 포럼은 양국의 문화 및 사회정책에 대해서도 기여하는 바가 있음이 확인되었다. 아울러 향후 양국의 관계에 있어서 인간안보 중심의 근본적인 접근이 필요하다는 의견도 제시되었다.

경제적 파트너십의 미래

올해의 포럼에서는 의제의 절반 정도를 경제 관계에 초점을 맞추어, 비즈니스와 경제 문제에 관해서 두 세션을 진행하였다. 각 세션에서는 새로운 한국-캐나다 FTA가 양국 경제에 가져다 줄 비즈니스, 무역 및 투자 기회에 대해 살폈다. 또한 아시아 태평양 지역에서 논의되고 있는 다른 무역 협상들의 진행 현황과 이들이 양국 협력관계에 가져올 시사점에 대해 토의했다.

한-캐 FTA의 조속한 실행을 위해서 참가자들은 빠른 비준, 중소기업의 활성화, 공공 및 민간 섹터의 상호 이해 구축이 필요하다는 점을 강조하였다. 또한 캐나다는 농업과 소매 유통, 제약 및 청정 기술 분야에서, 그리고 한국은 자동차, 전자 제품 및 가전 제품에서 경쟁력을 가질 것이라는 의견은 많은 공감을 얻었다.

다음으로 참가자들은 현재 활발히 협상이 진행되고 있는 환태평양 경제 동반자 협정(TPP)과 한-중 FTA 등 새로운 무역 협정들에 대해서 토의 했다. 아태지역의 새로운 무역질서를 구축하는데 있어서 한국과 캐나다가 협력할 수 있는 방법에 대한 아이디어들이 제시되었다.

아시아 태평양 지역의 안보

포럼은 2013년의 한-캐 수교 50주년 기념과 2014년의 FTA 타결이 두 정부 간의 관계를 전략적 협력의 관계로 상승시키는데 주도적인 역할을 했다고 지적했다. 미들 파워 외교의 중요한 파트너인 양국은 아시아 태평양 지역의 평화와 번영을 위해서 상호 보완적인 역할을 할 위치에 있다. 이에 참가자들은 안보 문제에 대한 더욱 긴밀한 협의와 협력의 중요성을 강조했다. 같은 맥락에서 한국 측 참가자들은 캐나다가 아시아 태평양 지역에 대해서 새로운 관심을 갖게 된 점을 환영하였다.

이러한 배경에서 참가자들은 한국과 캐나다가 남북한의 평화로운 통일을 달성하기 위한 공통의 전략적 비전을 공유해야 한다는 인식을 공유하였다. 이를 위해 캐나다는 통일 과정에서 한국을 위한 강력한 지원을 해야 하며, 서울과 오타와는 북한이 핵에 대한 야망을 포기하고 개방과 개혁으로 전환할 수 있도록 김정은 정권을 설득하는 데에 일관된 외교적 노력을 해야 한다고 결론지었다. 또한 한국은 캐나다가 동아시아 정상 회의(EAS)에 회원 자격을 획득할 수 있도록 지원해야 한다는 지적도 있었다. 외교 및 국방 장관의 양자 2X2 포럼의 설립은 양국 간 전략적 협력관계의 자연적인 결과가 될 것이라는 의견도 있었다.

에너지와 환경 분야에서의 협력

포럼은 다가오는 파리 컨퍼런스의 성공 가능성에 초점을 맞춰 기후 변화와 관련된 현황에 대해 논의했으며, 에너지에 대한 각국의 서로 다른 접근 방식에 대해 솔직한 의견을 교환했다.

한국측 참가자는 한국이 현재 충분한 에너지 공급을 보장하는 전략에서 수요를 관리하고 지속 가능한 개발 정책을 구현하는 전략으로 이동하는 과정에 대해 설명하였다. 반면에 캐나다는 자국이 에너지자원 상품의 공급처라는 점에 초점을 맞춰서 자원 생산국을 위해 설계된 지속 가능한 개발 프레임워크를 연구 중임을 설명하였다. 이러한 맥락에서, 한국과 캐나다 사이의 협력을 위한 몇 가지 안이 제시됐다. 첫 번째는 이미 진행 중인 사안으로, 투자와 협력관계를 통한 캐나다의 한국으로의 LNG의 공급이다. 한국가스공사는 현재 말레이시아의 PETRONAS와 함께 LNG 캐나다의 프로젝트 등에 참여하고 있다. 또한, 청정 기술 분야와 관련하여 경쟁력 있는 제품 및 서비스를 제공하는 캐나다의 많은 중소기업과 한국 기업의 협력 가능성도 제기되었다.

문화 및 사회적 협력

양측의 참가자들은 문화와 사회적 협력이라는 의제 아래 경제 및 문화 통합, 사회적 다양성과 이민 정책, 그리고 문화 산업 등 여러 영역을 모두 포함하는 폭 넓은 토론을 전개했다.

문화 면에서 캐나다는 스크린쿼터 제도와 같은 국내 콘텐츠에 대한 실질적인 보호가 없이도 경쟁력 있는 문화 콘텐츠를 개발하고 세계로 수출하는 한국의 문화 산업에서 교훈을 얻을 수 있다는 지적이 있었다. 반면에 이민자를 적극 수용하고 성공적인 다문화 사회를 만든 캐나다의 경험을 연구하면 한국의 빠른 고령화와 인구 감소 문제를 해결하는 데 도움이 될 것이라는 캐나다 측의 조언이 있었다.

2015년 캐나다에서 개최될 제 13차 한-캐 포럼에서는 수교 50년의 성과와 2014년에 활기를 띄게 된 경제적 및 정치적 프레임워크를 넘어서는 더욱 긴밀한 양국 관계의 구축을 위한 방안에 대해 논의할 것을 합의하면서 2014년의 포럼은 막을 내렸다.

This 12th meeting of the Korea Canada Forum (KCF) occurred at an important new juncture in the Korea-Canada relationship: the signature in Ottawa on September 22, 2014 of the Canada-Korea Free Trade Agreement (CKFTA) in the presence of South Korean President Park Geun-hye and Canadian Prime Minister Stephen Harper, and the accompanying elevation of the government-to-government relationship by leaders to the level of a “Strategic Partnership.”

Consequently, the Forum was challenged in its October 16-18, 2014 meeting to assess the impact of these developments and discuss how both sides might ensure that their full potential is realized.

The Forum looked at the potential the CKFTA has for opening up bilateral trade and investment, as well as in third markets and through value chains. It was clear that this potential will only be realized through commitments by businesses, backed by governments, and a broader awareness of the opportunities and conditions that now exist in both countries for more intense economic interactions.

The areas of innovation and technology, combined with a focus on the small-and medium-sized sectors in both countries were seen as particularly promising new directions for emphasis. Innovation was also a key theme to emerge from the KCF’s consideration of cooperation on energy security and climate change, where the traditional complementarity in the area of energy supply/demand has the potential to be augmented by tie-ups in the area of clean technologies.

While the Asia-Pacific region’s peace and security issues are complex and have their set players, change and realignments are occurring. More work can be done to investigate the potential for Canada-Korea cooperation in improving understanding and lessening tensions. Innovations in policy approaches are required. The Strategic partnership, which goes beyond functional cooperation in economic and socio-cultural arenas, offers the potential for new mechanisms through which this can be promoted.

Finally, public policy challenges in both countries are requiring both governments to find new approaches to new challenges. This opens the door to consultation and sharing of experiences, from the development of cultural industries, to immigration policy and social inclusion and internationalization of our youth through education and shared experience. Forum participants were reminded of the fundamental importance of the human dimension in the Canada-Korea relationship.

Upcoming Korea Canada Forum meetings, beginning in 2015 in Canada, should look more closely at these and other areas in the ongoing quest for new ways of building a stronger bilateral relationship in the years ahead, moving beyond the first 50 years of ties and capitalizing on the new and revitalized economic and political framework that was created in 2014.

THE FUTURE OF ECONOMIC PARTNERSHIP

This year's KCF meeting focused primarily on the economic relationship with half of its agenda and three separate sessions dedicated to business and economic issues. It examined the opportunities this groundbreaking new free trade agreement (FTA) will create for the business, trade and investment ties, both bilaterally and in each other's regions. It also examined more broadly other trade negotiations underway in the Asia-Pacific region and their implications for Canada Korea cooperation.

Several participants at the meeting reminded the group that opportunities for closer economic ties existed in all regions of the two countries, including in and around the host city of Busan, Korea, as well as on Canada's east coast, despite the distances involved.

As regards moving forward with the new FTA, participants emphasized several points:

- Ratification of the CKFTA must now proceed quickly so as to keep up momentum and ensure no time is lost in beginning to reap the benefits.
- Ultimately, the FTA's success will depend on Korean and Canadian businesses moving actively to take advantage of the new opportunities available.
- Greater access to value chains in both the Asia-Pacific and in North America will be one of the key benefits arising from the CKFTA.
- Canadians should complement their strong commodities' presence by looking to agriculture and seafood, retail products, pharmaceutical and clean technologies;
- Korean industries should focus on automotive, electronic appliances and household goods.
- To improve business prospects, both public and private sectors need to enhance mutual understanding, promote the benefits available from the FTA, and correct the out-of-date stereotypes and misperceptions that have inhibited business initiatives.
- While the opportunities are extensive in many sectors, a horizontal theme on innovation and technology could be particularly fruitful.
- Small- and medium-sized enterprise (SME) sectors in both countries should be brought more into the mainstream of our economic interchange to take advantage of this agreement.
- With a diverse cultural background, Canada can be an important resource for Korea to improve English proficiency in particular and global cultural capacity in general.
- Korea can learn from the Canada's financial sector experience.

Participants noted the extensive activity underway on new trade agreements in the region, such as the Trans-Pacific Partnership (TPP) and Korea's negotiations with China. Several ideas were put forward as to how Korea and Canada could work together to strengthen regional trade governance:

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- Canada could support Korea’s interest in joining the TPP as an “original” member, should there be further delays in concluding the agreement among the current 12 players.
 - Both countries believe trade agreements should seek to achieve a high-level market liberalization and deep economic integration.
 - Although the upcoming Korea–China FTA will not achieve a high level of market liberalization, it will serve to bring China closer to this goal.

SECURITY IN THE ASIA PACIFIC

The Forum noted that the 50th anniversary of diplomatic relations in 2013 and the conclusion of the bilateral FTA in 2014 have led to the elevation of the government-to-government relationship between Korea and Canada to that of a Strategic Partnership. Both governments perceive each other as important partners in constructive middle- power diplomacy with mutually complementary roles to enhance peace and prosperity in the Asia-Pacific region and in the world. Participants emphasized the importance of closer consultation and cooperation on security matters.

Korea’s traditional security focus on the Korean peninsula and events in North Korea has been expanded by President Park to include broader security issues in Northeast Asia and the Eurasian region. Participants noted, however, that recent Russian aggression against Ukraine has put cooperation with Moscow in the latter region on hold.

Canada’s refocus on the Asia-Pacific is welcomed by Korea. It has created renewed opportunities for Canada’s engagement on Asian security issues. In this context, Ottawa and Seoul can strengthen bilateral strategic partnership in order to promote their middle-power leadership.

CIGI is developing an idea to build “empathy” among Asian players where potential conflicts exist so as to correct overestimations of threats, lay the groundwork for trust and reduce the danger of economic disruption.

Against this background, participants emphasized several points in regards to Canada-Korea cooperation for security:

- The high stakes situation on the Korean peninsula engages a “fixed set” of players that does not include Canada, but participants recognized that Canada would continue its strong support for Korea and the two countries should share a common strategic vision for achieving a peaceful inter-Korean reunification. Seoul and Ottawa should make consistent diplomatic efforts to persuade the Kim Jung-un regime to renounce its nuclear ambition and choose to move toward opening up and reform.

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- More scope exists for Korea and Canada to engage and consult as regards the wider Northeast Asian security picture.
 - In order to cope with the diversifying security challenges around the world, Korea and Canada should actively seek security cooperation in the areas of peacekeeping and peace building to prevent or respond to violent conflicts and humanitarian crisis both at the regional and global levels. For instance, the protection of North Korean refugees is an important case where the two countries' assistance is required for individual human security.
 - In order to promote Canada's engagement in Asia, Korea could support Canada's interest in acquiring membership in the East Asia Summit, which includes Korea, Japan, China, India, Australia, New Zealand, Russia, the United States and 10 Association of Southeast Asian Nations (ASEAN) countries.
 - The establishment of a bilateral "2x2" forum of foreign and defense ministers would be a natural consequence of the strategic partnership between the two countries.

SUSTAINABLE PARTNERSHIP IN ENERGY AND ENVIRONMENT

The meeting focused on the current situation with respect to global climate change and the possibilities for success at the 2015 Paris conference, with a frank exchange on each country's different approaches to the issues.

Participants heard how on the one hand, Korea is moving from its focus on ensuring adequate energy supplies through a supply strategy to a strategy of managing demand and implementing sustainable development policies and measures. And on the other hand, how Canada remains focused on being a supplier of energy commodities, and is still in search of a sustainable development framework designed for a resource producing country. In this context, several suggestions for cooperation between Korea and Canada were put forward:

- The first point is already a work in progress: the supply of liquefied natural gas (LNG) to Korea from Canada through investment and partnerships, such as KOGAS's involvement in the Petroliam Nasional Berhad and LNG Canada projects.
- Second, Korea could invest in carbon capture and storage (CCS) projects in Canada, where the first commercial facility in the world has recently been opened.
- Third, there are many small-and medium-sized companies in Canada in the clean technology sector whose products and services should be attractive to Korean businesses looking for partnerships to meet Korea's needs or to respond to opportunities internationally.

CULTURAL AND SOCIAL COOPERATION

Participants engaged in a broad discussion covering the several areas highlighted under this topic: economic and cultural integration, social diversity and immigration, and cultural industries.

Key points under this theme included the following:

- Canada could learn lessons from Korea's approach to developing its cultural content and exporting it to the world without the need for regulatory protection of local content in Korea.
- Canada's experience in welcoming immigration, accommodating newcomers and creating a multicultural society might be something Korea could study as it faces the growing need to increase immigration to compensate for a rapidly shrinking population this century.
- Cultural and economic integration depends on the development of human resources through study, education and innovation, including through international programs.



Session Summary

세션별 요약

제1주제

경제적 파트너십의 미래

The Future of the Korea-Canada Economic Partnership

SESSION 1:

IMPLICATION OF TPP AND REGIONAL TRADING ARRANGEMENTS

Currently there are a number of important trade initiatives in process in the East Asian region: the Trans-Pacific Partnership (TPP), the Regional Comprehensive Economic Partnership (RCEP), the trilateral China-Japan-Korea (CJK) trilateral FTA, as well as the Korea-China bilateral FTA. There is also the lingering aspiration that these various initiatives may evolve and merge into a region-wide FTA in the form of the proposed Free Trade Area of the Asia-Pacific (FTAAP). With this background in mind, this session started with a discussion on the notable aspects of the new Korea-Canada FTA provisions, opportunities that it could create for business on both sides, as well as possible areas in which more attention may be necessary. The session also aimed to assess the implications of the TPP and other trading arrangements in the region from the perspective of Korea-Canada cooperation in handling these regional trade initiatives.

It was noted that the CKFTA is mostly drawn from the US-Korea FTA, as it is one of the most updated FTAs in the current system. For example, the CKFTA contains advanced provisions in the services and investment sections adapted from the US-Korea FTA. Moreover, an important regulatory development was included in regards to dispute settlement: the allowance of ad hoc appointments of panels. Normally, although dispute settlement procedures are in practice bound by the roster of panelists, it is often difficult to agree on panels. To address this issue, Korea and Canada agreed to use ad hoc panelists as a rare exception among FTAs. With this new provision, the dispute settlement procedure for the CKFTA has become much more realistic and usable.

The imminent ratification of the Korea-China FTA and its impacts on trade were also discussed. Although the this FTA is low in quality relative to Korea's FTAs with the United States and the European Union, it is significant in that it is the highest quality FTA that China has ever participated in. The Korea-China FTA is China's first attempt to embrace modern FTA elements, which is a meaningful improvement for the Chinese government in accepting the new trade paradigm. And as often mentioned as the "China addiction problem," Korea's economic reliance on China has been dramatically increased and would be even further deepened by the Korea-China FTA. The Korea-China FTA could be an instrumental push for China if it wishes to join the TPP later on. The next step after the Korea-China FTA will be the China-Japan-Korea (CJK) trilateral FTA.

In terms of utilizing the CKFTA in relation to the TPP, there are many merits to the TPP regarding the functions that are expected from it. The TPP includes nearly everything new and innovative about regional trade agreements; however, because many of these issues have never been addressed, it will be difficult to expect a satisfactory outcome for all members. In this respect, Korea and Canada can play a cooperative role in moving the TPP in the

right direction considering their similarly sized economies and industry structures, as well as their shared desire for trade liberalization. The CKFTA is a building block to larger Asian markets, including ASEAN and China. The two countries have a high-quality bilateral trade agreement and are well situated to create a new value chain in the Asia-Pacific region. Both the Korean and Canadian delegates at the meeting stressed that their countries will have a promising future if they cooperate together to fully utilize the FTA. The cooperation between them to enhance the harmony of the world trade system will become an important element in their trade policy agendas.

There currently seems to be some anxiety, however, that the TPP may be going sideways and may not live up to its potential. Moreover, the RCEP does not aim for high-level market liberalization as much as TPP. Participants suggested four ways in which Canada and Korea could cooperate in shaping the FTAAP. First, Canada should support Korea's entry in the TPP. Canada can provide lessons on what needs to be done to gain access. Korea, like others, will need leadership to accept disciplines. Second, as middle economic powers with similar influences and concerns, Korea and Canada should push for the FTAAP initiative. Third, Korea can help Canada by supporting its entry into the East Asia Summit as a combination of strategic and economic interests. Fourth, Canada and Korea need to ratify the CKFTA as soon as possible. Public and private business sectors need to stay closely engaged. Dialogue in key areas such as agriculture and automobiles should be carefully considered.

Throughout the session, Korean and Canadian delegates emphasized the importance of prompt and complete ratification of the bilateral FTA. Political difficulties may exist in both domestic processes of ratification; for example, Korean livestock farmers are criticizing the government, and Canadians are also criticizing their government for eliminating tariffs in the automobile sector without proper safeguards. Such criticisms, however, should not be excuses for delaying ratification. Difficulties should be overcome with time.

SESSION 2: **STRENGTHENING THE KOREA-CANADA BUSINESS PARTNERSHIP**

In order to achieve a win-win business partnership between Korea and Canada, maximizing the complementarities of the two industrial structures is necessary. Korea's manufacturing technology in chemicals and automobiles, and Canada's vast territory abundant of natural resources should be brought together and utilized to create new added values. Canada's high-end technology in the digital media and IT software industries can also complement Korea's global marketing prowess. Moreover, Canada's natural resource development and Korea's corporate investments can be combined to create synergetic effects.

Both delegations stressed that the involvement of SMEs should be a criterion in assessing the success of the bilateral FTA. It was emphasized that both governments, along with relevant public and private organizations, should support SMEs in utilizing the CKFTA to its full extent. It was suggested that this FTA will provide ample business opportunities to firms in the auto parts, aircraft parts, tires, textiles and small household goods sector. One Canadian presenter mentioned Export Development Canada's role in promoting Canadian trade and exports abroad and creating business opportunities in the international scene, including helping SME's strengthen their entrepreneurship. Export Development Canada facilitates half of the value of Canada's exports to Korea every year, and this number is comparably high for an advanced economy. Canadian businesses' level of insecurity in doing business with Asia is high in general. For instance, Canada is still concerned about intellectual property protection in Korea.

Although the common perception is that Canadian exports are mostly raw materials, small Canadian companies are successfully selling industrial equipment and high technology. The dollar volumes are comparatively small, but it is encouraging to see diversity in the market. One reason that trade diversification occurred was the economic "slow down" in the USA in the last few years. However, it is worrisome that while diversification has occurred to many other markets, Canada's exports to Korea have stagnated over the last several years. Canada is losing market share in Korea, due to competitive reasons in key export sectors traditional to Canada. Overall, Canada's interest in doing business with Korea is high, but there is still much concern and a number of negative perceptions that diminish the enthusiasm. There is a lack of awareness in Korea about what Canada can provide to Korea beyond the commodity side. Issues and concerns around Canada's ability to break into Korea's supply chains also persist. Canada's perception of Korean businesses is that they prefer to do business with Koreans. This makes it difficult for small Canadian businesses without resources to build relevant business networks. Thus, the general perception of the CKFTA is cautious optimism. In this respect, the real work for this FTA may be a focus on education and dedication of effort. More education on both sides about regulation, promotion of opportunities, transparency and ease of access for products on shelves is important for the comprehensive use of the FTA. In sum, SMEs should benefit from the FTA. For this to happen, the perceptions of businesses and their difficulties need to be noted and carefully addressed by governments.

제2주제

아시아 태평양 지역의 안보

Security in the Asia Pacific and the Outlook for Canada-Korea Partnerships

SESSION 3:

SOLVING THE NORTHEAST ASIAN SECURITY PUZZLE AND THE ROLE OF CANADA-KOREA PARTNERSHIP

The traditional security order of US-Korea-Japan versus China-Russia-North Korea has been maintained for six decades, successfully keeping stability over the Northeast Asian region. However, this structure has recently begun to break up due to a combination of the Korea-Japan dispute, China-North Korea discord, Korea-China intimacy and Japan-North Korea rapprochement. In a broad sense, the American and Chinese interactions of cooperation and competition, and the confrontation between China and Japan have been continued.

Northeast Asia is currently undergoing important transitions, mainly due to the rise of China. In addition to economic relations, China's power and influence are growing in terms of political and military security. Although China emphasizes its intentions to create a harmonious regional and global environment, its current rapid rise seems to foster some degree of uncertainty and instability. The good news amidst the confusion is that China and Japan seem to have realized that further continuation and development of their disputes are dangerous in terms of security and are not economically profitable. Both countries are starting to seek some "hiatus" from their disputes. China's preoccupation with the East China Sea in Northeast Asia may give the South China Sea some respite.

The power shift and dynamics of the regional security order are important aspects in the dynamics of international relations in Northeast Asia. The rise of China, the United States' "Pivot to Asia" policy, Russia's "Return to Asia" and North Korea's domestic situation are all factors that need to be carefully considered. North Korea's behavior of being predictably unpredictable and consistently inconsistent adds to the complexity of the already complex security structure of Northeast Asia. Historical tensions revolving around the region are also an issue waiting to be resolved. For example, in theory, a functionalist approach to the regional economy should work; however, in the case of Northeast Asia, the opposite is true because political and historical issues often deteriorate and constantly return. The failure of China-Japan trade supports the notion that politics is important for the Northeast Asian economy.

In solving the Northeast Asian security puzzle, some scenarios may be of relevance. A security order led by the United States (which is supported by the Korea's New Democratic Coalition) is the current situation. This traditional security structure centered on bilateral alliances with the US hegemon remains the frame for regional relations. There seems to be no better scenario at the moment. Other scenarios include China and Russia forming a new bipolarity, China and Russia forming a strategic coalition to counter US hegemony and finally, Group of

Two hegemony. There is also the possibility of Northeast Asia becoming a no man's land. It should also be noted that the United States is currently distracted from Asia due to the current Islamic State crisis. Whether the United States can maintain its focus on Asia is debatable. The implications of this should be carefully thought out.

One Korean participant strongly advocated a multilateral approach to generating genuine peace and stability in the region, although it seems that multilateralism and regionalism are always challenged by bilateral interests and conflicts. Moreover, how to define the regional identity of East Asia is important in multilateral approaches. The fact that the name "East Asia" was given externally to indicate a group based on economic performance may be why this group still has problems in consolidating regional identity. Such identity problems need to be sorted out.

Canada could deal with Northeast Asian traditional security issues as a second circle country. For example, Canada could work closely with South Korea on security agendas about North Korea as an offshore observer. It could also identify global security cooperation areas beyond Northeast Asia, because while Northeast Asian bilateral cooperation is important, it is still surrounded by multilateral components. For instance, Korea has to value its alliance with the United States while maintaining a strategic balance with China. This would be the inner circle. But Canada as a middle power can be a big security supporter as a second circle country.

China is an important player in the region and a strategic dialogue partner for Korea. China's recent "charm offensive" towards Seoul may be important to note, but a strategic shift is not likely, considering the Chinese government still claims to put importance on the Pyongyang regime. China's negative sentiments toward North Korea, and vice versa, are increasing; nevertheless, the China-North Korea alliance is sustained by necessity, not emotions. China is highly unlikely to give up North Korea and the relationship will not change fundamentally. In the near future, South Korea's dilemma in dealing with the US and China will grow. A strategic balance between the two bilateral relationships is needed. Korea should make a strategic balance between the United States and China, as it needs both countries, particularly in terms of Korea-US alliance for security and Korea-China partnership for economic prosperity. Therefore, Seoul should pursue a policy of hedging on the basis of tight alliance with the United States, while consistently promoting Korea-China partnership. Strengthening the relationship with one partner at the cost of the other is not conducive to Korea's national interests.

Many factors indicate that Korea and Canada need to cooperate as middle powers and take on roles as mediators or moderators in international issues. Canada has a long history in Asia-Pacific history perhaps not as a big player, but as an active player. Although Canada disappeared from the Asia-Pacific for approximately a decade, the Harper Canadian government has moved to rebrand itself and re-establish presence in the region. The main challenges of Asia-Pacific security may be dealt with by taking new approaches. For example, many analysts say the problem in

this region is lack of multilateral architecture, but a Canadian participant suggested that the real problem seems to have stemmed from too many architectures due to lack of mutual understanding and empathy. He further suggested the need for an innovative strategy to build empathy among Asian players to correct overestimations of threats, lay the groundwork for trust and reduce the danger of economic disruption. He continued that, in this respect, while Canada cannot take on a significant power role, it is far enough from the region not to have self-interested stakes and thus able to contribute as an honest broker with a general interest in stability and welfare. Canada's role may be a niche, but certainly not unimportant, role.

In terms of the Korea-Canada relationship, there are clearly contributing factors for cooperation. Both are US allies, they share similar values and they seek ways to promote strategic partnership. The two countries have contributed to global peace and security within regional and multilateral contexts including the United Nations and the Group of Twenty. As reliable middle-power companions, Korea and Canada should continue to collectively play a role as mediator or moderator for global affairs, promote good internationalism, contribute to the order and stability of the international system, and discuss China by sharing ideas and strategies.

제3주제

에너지와 환경 분야에서의 협력

Sustainable Korea-Canada Partnership in Energy and Environment

SESSION 4:

THE CANADA-KOREA ENERGY/CLIMATE COOPERATION IN AN INCREASINGLY CARBON-CONSTRAINED WORLD

Korea's economy is heavily dependent on carbon-intensive industries and, as such, the problems of climate change will increasingly become a serious challenge to Korea's future development. In response to the international ambition to keep global warming below a 2°C increase, Korea has set an emission target of a 30 percent reduction of CO₂ emissions by 2020 relative to Business As Usual (BAU) levels. Two important decisions that were made to meet this target are the "Second Energy Master Plan" and the "Domestic Emission Trading Scheme." The first is a comprehensive plan that links and coordinates related energy plans from a macro perspective. Its main objective is to provide a vision for mid-and long-term energy policy substantiated with sector-wide targets to help realize the vision. Maximizing the use of nuclear and renewable energy, reducing energy intensity by curbing demand and creating a new growth engine initiated by low carbon technology developments are examples of specific goals. The Domestic Emission Trading Scheme is a market-based, cost-effective method in reducing greenhouse gas emissions. This system allows companies to strategically select among direct mitigation, permits trading, external mitigation and permits borrowing as their most cost-advantageous way of reducing greenhouse gas emissions.

Canada's policy on energy and environment is erratic because of its unique characteristics, wherein energy is more of an economic issue than an environmental issue. As the second-largest country in the world in terms of land mass, Canada has abundant natural resources and few incentives to use them efficiently. It is the largest exporter of electricity, as well as a large exporter of uranium, gas, oil and, perhaps in the future, water. These exports provide huge government revenue. Moreover, the energy and resources sector also provides many well-paid semi-skilled jobs. For such reasons, it is difficult for the Canadian government to take action on low carbon sustainable development. Sustainable development is more relevant for resource-importing countries, and a defensible framework for natural-resource-producing countries is needed.

In terms of Canada-Korea energy cooperation, a Canadian delegate suggested three possible areas of collaboration. The first is in LNG. The potential for Canadian export of LNG is large, currently with 16 schemes already in position for discussion. However, many experts argue that none of them will go through and more negotiations are necessary. Carbon Capture and Storage, or CCS is a second possible area of collaboration. CCS has a major role in meeting Canada's emission-reducing target. Canada has a functioning, large-scale CCS project associated with coal fired electrical generation, and will have the largest CCS project attached to an oil project within six months. However, as expensive projects cannot survive the market at the moment, Canada may welcome Korea's investment in such CCS projects. Third, there is potential for business cooperation on clean technology. This sector is mainly dominated by SMEs in Canada and problems are due to the small market. This market should be of interest to Korean businesses.

제4주제

문화 및 사회 분야 협력

Cultural and Social Cooperation in the Korea-Canada Partnership

SESSION 5:

ENHANCING CULTURAL COOPERATION AND SOCIAL INTEGRITY

This session started with a Korean participant in the field of education advocating for education exchange as a means for cultural cooperation. With a steady increase of Koreans entering language and degree courses abroad, Canada is not at the top of the list of popular destinations. This suggests that an awareness of Canada in Korea, as well as that of Korea in Canada, should increase. Establishing cultural centers and organizing campus sharing can yield positive effects without the input of much infrastructure. It may be an advantageous moment to expand educational and cultural cooperation, and institutions with innovative ideas in this respect are more likely to prosper.

The media element of cultural exchanges suggests that there is much to be done in terms of media exchanges between Korea and Canada. The current media environment has diversified to the extent that there is a choice in every aspect. The influence that people get from certain media at a certain place can be immense. Considering this, the opportunities that culture exchange can provide have not yet even been tapped into. Efforts are being made but there is more to be done.

A Canadian presenter compared the “cultural industries” of Canada and Korea. Both Canada and Korea live close to cultural powerhouses (the US and China, respectively) and consequently face challenges in ensuring adequate space for their own forms of cultural expression. While Canada has established itself as an important production center for films and TV programming (Vancouver is second only to Hollywood in North America), it has been less successful in promoting the telling of Canadian stories. For many years Canada has relied on a regulatory approach, requiring certain levels of “Canadian content” on television and payment by distributors (many of whom rely on imported US television shows to attract audiences) into a Canadian production fund. These models are now being challenged by new technologies. He pointed out that Korea, on the other hand, has had much greater success in creating a vibrant content industry, and has even been able to export Korean dramas to overseas markets. In the past, Korea also used regulatory means to promote the domestic film industry (the screen quota) but the current success of Korean production is explained more by its high quality and appeal to consumers than any regulatory intervention. The presenter suggested that Canada may be able to learn from Korea in this aspect.

Another Canadian presenter suggested that Korea could study Canada’s experience in creating a multicultural society by incorporating immigrants as a solution to Korea’s population decrease. Canada can be called the first post-national state in that Canada is a settler culture, as well as being a bilingual country with French and English. Historically, Canada’s hostile climate and unfriendly geography deterred prospective settlers, leaving the

dominion at constant risk of depopulation, as people migrated south to the United States. To combat this, the federal government embraced a policy of aggressively recruiting immigrants, leaving the country with a mosaic of ethnicities that in turn helped foster an ingrained tolerance that what could be called a culture of accommodation. As a result, it has become a cosmopolitan country in which people from China, India, the Middle East and Africa live and work together. Although the current post-national state of Canada did have an accidental aspect to it, the outcomes were favorable. With Korea's multiculturalism struggles, in addition to population decrease problems, Korea can learn from Canada's successful immigration policy.

3. 참석자 명단 List of Participants

KOREAN PARTICIPANTS

AHN Chong-ghee	Deputy Minister for Economic Affairs, Ministry of Foreign Affairs
AHN Dukgeun	Professor, Graduate School of International Studies, Seoul National University; Member, National Economic Advisory Council; Commissioner, Korea Trade Commission
CHAE Wook	Honorary Distinguished Professor, Graduate School of Pan-Pacific International Studies, Kyung Hee University; Former President, Korea Institute for International Economic Policy
CHANG Jekuk	President, Dongseo University; President, Korea-Japan Next Generation Academic Forum
CHUN Young-Hee	Director, North America Division II, Ministry of Foreign Affairs
HAN Sukhee	Associate Professor, Graduate School of International Studies, Yonsei University
JUNG Ku-Hyun	President, The Seoul Forum for International Affairs; Former President of Samsung Economic Research Institute
KIM Chulsu	Chairman, Institute for Trade and Investment; Former Deputy Director-General of the World Trade Organization; Former President, Sejong University; Former Minister of Commerce and Industry
KIM Do-Hoon	President, Korea Institute for Industrial Economics and Trade
KIM Eun Mee	Dean, Graduate School of International Studies, Ewha Womans University; President, Korean Association of International Development Cooperation Studies
KIM Kihwan	Chair, Seoul Financial Forum
KIM Young Doo	Executive Vice President, KOGAS
LEE Hoesung	Vice Chair, UN Intergovernmental Panel on Climate Change; Former President of Korea Energy Economics Institute
LEE Hong-Koo	Chairman, The Seoul Forum for International Affairs; Former Prime Minister; Former Ambassador to the United States

LEE Jae-Seung	Professor, International Studies, Korea University
LEE Seung-Hoon	Chairman of the Executive Committee, Lee International IP & Law Group
LEE Shin-wha	Professor, Department of Political Science and International Relations, Korea University; Member, Council for Security Cooperation in the Asia Pacific
LIM Jaekyu	Managing Director, Climate Change Policy Research Group, Korea Energy Economics Institute
MIN Sunshik	President, YBM, Inc.; Member, Academic Council of Seoul National University; Advisor, Harvard University Asia Center
OH Hyeok Jong	Director General, Trade Policy Support Department, Korea Trade Investment Promotion Agency
PARK Jin	Member, 16 th through 18 th National Assembly; Former Member of 17 th Presidential Transition Committee; Former President, Diplomacy Forum of National Assembly
PARK Keun Won	Second Secretary, North America Division II, Ministry of Foreign Affairs
SOHN Jie-Ae	Visiting Professor, University of Southern California; Former President and CEO, Arirang TV and Radio
SUH Byung-soo	Mayor of Busan City; Member, 16 th through 19 th National Assembly; Executive Director, Saenuri Party
YIM Sung-joon	Former Chairman of the Korea Foundation; Former Ambassador to Canada; Chief Advisor to the President on Diplomacy and Security

CANADIAN PARTICIPANTS

Marie ALNWICK	Second Secretary (Political Affairs), Embassy of Canada to the Republic of Korea
Julia BENTLEY	Director, Northeast Asia Foreign Affairs, Trade and Development Canada (DFATD)
Mark BOLGER	Chief Representative, Asia, Export Development Canada
Leonard J. EDWARDS	Distinguished Fellow, CIGI; Strategic Adviser to Gowling Lafleur Henderson LLP
John IBBITSON	Senior Fellow, CIGI; National Columnist, <i>Globe & Mail</i>
Jason DongWon KANG	Executive Director, United Korean Commerce and Industry Association of Canada
Yong Taek KIM	Principle, Shin Han H&P and SNE Sea Products
Michael L. MACDONALD	Senator - Nova Scotia, Senate of Canada
Hayley MACKINNON	Program Manager, Office of the Vice-President of Programs and Manager, Evaluation & Planning, CIGI
David RUNNALLS	Distinguished Fellow, CIGI; Distinguished Fellow, International Institute for Sustainable Development (IISD)
Hugh STEPHENS	Senior Fellow, Asia Pacific Foundation of Canada; Vice-Chair, Canadian Committee for Pacific Economic Cooperation
James TROTTIER	Head of Embassy of Canada to Korea's Political, Economic and Public Affairs Section, Embassy of Canada to the Republic of Korea
David WELCH	Senior Fellow, CIGI; Chair, Global Security, Balsillie School of International Affairs and Professor of Political Science, University of Waterloo

4. 프로그램 Program

OCTOBER 16 (THU)

Welcoming Reception and Business Dialogue (Salon, 1F)

18:30-19:00	Welcoming Reception Welcoming Remarks: SUH Byung-soo (Mayor of Busan)
19:00-20:00	Dinner
20:00-21:00	Business Dialogue Panellists: KIM Do-Hoon (President, Korea Institute for Industrial Economics and Trade) Honourable Michael L. MACDONALD (Senator, Nova Scotia, Senate of Canada) Leonard J. EDWARDS (Canadian Co-chair, Canada-Korea Forum; Distinguished Fellow, CIGI; Strategic Adviser to Gowling Lafleur Henderson) Moderator: JUNG Ku-Hyun (President, SFIA)

OCTOBER 17 (FRI)

08:00-08:30	Opening of the Forum (Salon, 1F) YIM Sung-joon (Korean co-chair, Canada-Korea Forum; Former Chairman of the Korea Foundation) Leonard J. EDWARDS (Canadian Co-chair, Canada-Korea Forum; Distinguished Fellow, CIGI; Strategic Adviser to Gowling Lafleur Henderson)
	Theme 1: The Future of the Canada-Korea Economic Partnership
08:30-09:00	Keynote Address: “The Future of the Korea-Canada Economic Partnership in the Asia-Pacific” AHN Chong-ghee (Deputy Minister for Economic Affairs, Ministry of Foreign Affairs)

09:00-10:30	<p>Session One: Implication of TPP and Regional Trading Arrangements</p> <ul style="list-style-type: none"> • How do various bilateral talks and the TPP reshape trade and economic dynamics in Asia, and what does it mean for Canada and Korea? What are the potential impacts of for the Korea-China FTA? • How can Canada and Korea work together to shape the evolving trade architecture and governance in the Asia Pacific towards more open, rules-based outcomes? • What will be the implication of the Korea-China FTA? <p>Panellists: AHN Dukgeun (Professor, Seoul National University) CHAE Wook (Professor, Kyung Hee University) Hugh STEPHENS (Senior Fellow, Asia Pacific Foundation of Canada; Vice-Chair, Canadian Committee for Pacific Economic Cooperation)</p> <p>Moderator: KIM Chulsu (Former WTO Deputy Director-General)</p>
10:30-10:45	Coffee Break
10:45-12:15	<p>Session Two: Strengthening the Korea-Canada Business Partnership</p> <ul style="list-style-type: none"> • What are the major areas for business partnership? • What are the key obstacles for mutual trade and investment? How can business communities of the both countries overcome the problems? • What is the potential for Korea and Canada to work together multilaterally on business partnership? <p>Panelists: OH Hyeok Jong (Director General, Korea Trade Investment Promotion Agency) MIN Sunshik (President, YBM, Inc.) Mark BOLGER (Chief Representative, Asia, Export Development Canada)</p> <p>Moderator: Leonard J. EDWARDS (Canadian Co-chair, Canada-Korea Forum; Distinguished Fellow, CIGI; Strategic Adviser to Gowling Lafleur Henderson)</p>
12:15-12:35	<p>Special Speech</p> <p>LEE Hong-Koo (Chairman, SFIA) Honourable Michael L. MACDONALD (Senator, Nova Scotia, Senate of Canada)</p>
12:35-2:00	Lunch (Drawing 1, 33F)

**Theme 2: Security in the Asia Pacific and the Outlook for
Canada-Korea Partnerships**

14:00-15:30

**Session Three: Solving the Northeast Asian Security Puzzle and the Role
of Canada-Korea Partnership**

- What are the key characteristics for the changing security environment in Northeast Asia?
- How can a new regional security cooperation architecture be forged despite bilateral distrust and conflict?
- How can Korea and Canada cooperate to solve the security puzzle of the region?
 - Sources and characteristics of bilateral distrust and conflict in Northeast Asia
 - Addressing “North Korean problems” including military provocation, nuclear and humanitarian crisis, and contingencies
 - US-China relations and their regional implications
 - US rebalancing toward Asia and its regional implications
 - Overcoming the “Asia Paradox”
 - Prospects for a multilateral security cooperation process for Northeast Asia
 - Strategic partnership between Korea and Canada and the role of Canada as a second circle country in solving the Northeast Asian security puzzle

Panellists:

LEE Shin-wha (Professor, Korea University)

HAN Sukhee (Professor, Yonsei University)

David WELCH (Senior Fellow, CIGI; Chair of Global Security, Balsillie School of International Affairs and Professor of Political Science, University of Waterloo)

Moderator:

PARK Jin (Executive President, Asia Future Institute)

15:30-15:45

Coffee Break

**Theme 3: Sustainable Korea-Canada Partnership
in Energy and Environment**

15:45-17:15

**Session Four: The Canada-Korea Energy/Climate Cooperation
in an Increasingly Carbon-constrained World**

- What would be value-added in the energy bilateral cooperation between Canada and Korea when both countries will be likely to commit actions to reduce greenhouse gas emissions under a new climate regime that the world negotiates to establish next year?
- What would be the factors that may lead to convergence of interests in energy and natural resources between the two countries in a world of immovable global carbon budget?
- What would be the potential for research and development cooperation for low-carbon energy technologies?
 - Policy responses to global climate change: an assessment of the science and policy interface in Canada and Korea and opportunities for mutual learning
 - Exploring options of Canada-Korea collaboration in the risk management of climate futures
 - The issues of energy security in the changing climate: the sharing of knowledge between Canada and Korea

Panellists:

LEE Hoesung (Vice Chair, UN Intergovernmental Panel on Climate Change)

LIM Jaekyu (Managing Director, Climate Change Policy Research Group, Korea Energy Economics Institute)

David RUNNALLS (Distinguished Fellow, CIGI; Distinguished Fellow, International Institute for Sustainable Development)

Moderators:

Hugh STEPHENS (Senior Fellow, Asia Pacific Foundation of Canada; Vice-Chair, Canadian Committee for Pacific Economic Cooperation)

19:00-21:00

Haeundae Cruise Dinner

OCTOBER 18 (SAT)

Theme 4: Cultural and Social Cooperation in the Korea-Canada Partnership (Salon,1F)

08:30-10:00

Session Five: Enhancing Cultural Cooperation and social Integrity

- How to enhance cultural cooperation in Korea and Canada?
- How can both countries work to develop cultural industries?
- How to deal with increasing cultural and social diversity caused by more global immigration policies?

Panellists:

CHANG Jekuk (President, Dongseo University)

SOHN Jie-Ae (Visiting Professor, University of Southern California)

John IBBITSON (Senior Fellow, CIGI; National Columnist for The Globe and Mail)

Hugh STEPHENS (Senior Fellow, Asia Pacific Foundation of Canada; Vice-Chair, Canadian Committee for Pacific Economic Cooperation)

Moderator:

KIM Eun Mee (Dean, Ewha Womans Univ.)

10:00-10:15

Coffee Break

10:15-11:15

Future Roles and Direction of the Forum

11:15-11:30

Concluding the Forum

YIM Sung-joon (Korean Co-chair, Canada-Korea Forum;

Former Chairman of the Korea Foundation)

Leonard J. EDWARDS (Canadian Co-chair, Canada-Korea Forum;

Distinguished Fellow, CIGI; Strategic Adviser to Gowling Lafleur Henderson)

14:00-18:00

Extracurricular Activities for Canadian Delegates

United Nations Memorial Cemetery in Korea





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