

THE FEATURES OF CHINA'S RECENT FTA AND THEIR IMPLICATIONS: AN ANATOMY OF THE CHINA-KOREA FTA

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ABSTRACT

The paper analyzes the following questions from a Chinese perspective: what are the characteristics of the China-Korea FTA? And what are their underlying considerations and implications? It argues, first, that the China-Korea FTA is characterized by expanded coverage, highlighted focus on services and investment, increased non-trade concerns of competition and environment, and enhanced good governance norms. Generally the features are not fully developed largely due to the gentle pace of the China-Korea FTA. Among the features, good governance is more salient than others. Second, these features may be attributable to a variety of factors, particularly the response to trade practice and disputes, the impact of other trade agreements, and the need of economic transformation of China. Third, these characteristics may face challenges particularly those regarding the implementation and interpretation of relevant obligations. Finally, these traits may represent some of the future direction of China's FTAs, and the goal

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of a high-level FTA will remain a guiding force. New development will be made in areas such as services and investment. Besides relevant initiatives of China, mega FTAs may have more impact.

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