

PART III. Scope of the JKFTA

Tourism

155. The Joint Study Group noted that the number of Korean visitors to Japan is increasing while the number of Japanese visitors to Korea is on the decline. Given the geographic proximity of Japan and Korea, it was pointed out that various kinds of bilateral cooperation in the tourism sector could be explored to promote exchange of tourists between the two countries as well as to attract tourists from other countries into both countries. In particular, the Korean side pointed out that the visa waiver arrangement should be concluded and transportation cooperation should be expanded to increase the number of Japanese and Korean tourists in the two countries.

Environment

156. Recognizing that trade and environment should be mutually supportive as reaffirmed in the WTO and the Johannesburg Summit²¹, the Joint Study Group agreed that the two countries should explore ways to embark upon various cooperation activities in the area of environment. The Joint Study Group reaffirmed that it is important to include the measures for protection of the environment in the JKFTA in order to undertake trade and investment liberalization with due consideration for the environment.

157. The Joint Study Group noted that each side has been conducting the studies on Environmental Impact Assessment (EIA) in order to evaluate the effect of trade liberalization on the environment. The Joint Study Group shared the view that environmental impact assessment of the FTA could be helpful as it serves for devising effective environmental policies if accurate evaluations of the actual effects of the FTA on the environment are made to be possible. Based on such idea, it was agreed to exchange information of the studies in each country on the method of environmental impact assessment.

²¹ The UN World Summit on Sustainable Development was held in Johannesburg in September 2002 with a view to deciding on concrete policies and setting qualifiable targets for implementing Agenda 21.

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158. The Joint Study Group confirmed that eco-labeling is a valid tool to enhance production and consumption of environment-friendly products, and that it is effective to proceed with mutual recognition of the Eco-Mark in Japan and the Eco-labeling in Korea to support the distribution of environment-friendly products through the JKFTA. Both sides agreed to make efforts to prevent the Eco-labeling system from acting as a barrier to trade, hindering the entrance of foreign firms into the market and discussed ways to promote mutual recognition in this area.

159. The Korean side highlighted the importance of environmental technology in promoting environment-friendly goods and services in both countries and proposed to come up with various ways to facilitate exchange of environmental information available on Internet between the two countries with the view of supporting business activities between the two countries.

Finance

160. Recalling the experiences of the Asian foreign exchange crisis in 1997, the Joint Study Group acknowledged the need to brace financial cooperation in bilateral and regional levels to stave off another crisis in the region, through such means as the establishment of bilateral currency swap exchange mechanism and utilization of regional bond issued in Asian currency. Both sides also noted the importance to use the JKFTA as an opportunity to strengthen cooperation in this field.

Human Resources Development

161. The Joint Study Group noted across-the-board exchange of human resources between Japan and Korea through exchange of students, teachers and academic researchers. The Joint Study Group also took notice of the Japan-Korea joint program that sends approximately 100 Korean students to Japanese technology and engineering universities every year.

162. The Joint Study Group emphasized that exchange of human resources would pave the way for better understanding between the two peoples and

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contribute to human resources development between the two countries. It was pointed out that a range of programs should be developed to vitalize the exchange between Japan and Korea.

163. The Korean side pointed out that the exchange of technical experts as well as students would also be beneficial to both sides, and proposed that the two countries seek various means such as provision of managerial and technical advices by retired CEOs or technical experts to this end. The Korean side proposed establishing an educational information network for exchange of relevant information.