

## **PART III. Scope of the JKFTA**

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### **(2) Cooperation**

#### **Information and Communications Technology (ICT)**

133. As members of the Information Technology Agreement (ITA), which entered into force in July 1997, both Japan and Korea removed tariffs on the information and telecommunication items according to their respective concession schedule. The volume of the IT industry of the two countries in 2002 amounted to 26.0 percent of the world total production, valued at 180 billion US dollars. Japan ranks second with 19.6 percent, and Korea ranks third with 6.4 percent of the world total production.<sup>20</sup>

134. The Joint Study Group appreciated that trade in the IT sector between the two countries is rapidly increasing and emphasized that the current active bilateral cooperation in this sector needs to be further expanded. The Joint Study Group recommended that Japan and Korea, as major producers of the IT related goods and services in East Asia, need to work together to promote bilateral IT trade and investment and stimulate exchange of technology and human resources.

135. The Joint Study Group recognized that Japan and Korea have been promoting cooperation in various areas of electronic commerce such as mutual recognition of privacy mark, trust mark alliances, as well as electronic signature and certification. Given the rapid development of IT related technologies, the Joint Study Group recommended that the two countries should not only pursue new areas of cooperation within the framework of the JKFTA, but also consider the possibility of using existing cooperation channels without waiting for the conclusion of the JKFTA. In this vein, proposals were made to set up a joint standardization of mobile telecommunication and digital electronics.