

# COMPARATIVE

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## CONNECTIONS

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### CHINA-KOREA RELATIONS

# TWO KOREAS DEFY CHINESE SANCTIONS

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Pyongyang tested regional and domestic politics on six separate occasions by conducting missile launches between February and April. The latest tests coincided with the Xi-Trump summit in Mar-a-Lago and Vice President Pence's visit to South Korea. They also marked the 105th birth anniversary of Kim Il Sung on April 15 amid intense speculation that North Korea might conduct a sixth nuclear test. In addition to supporting five UN Security Council statements on North Korea this year, Beijing on Feb. 18 announced a suspension of DPRK coal imports through December. DPRK military threats also catalyzed US-ROK plans to deploy THAAD, a source of mounting tension that affected all aspects of the China-South Korea relationship. Beijing's retaliation took the form of restrictions from March on business and tourism. South Korea appealed to the WTO for redress and South Korean lawmakers passed resolutions condemning China's retaliation. THAAD emerged at the center of domestic political debate in Seoul after Park Geun-hye's ousting on March 10, following which PRC nuclear envoy Wu Dawei in April engaged major presidential contenders ahead of the May 9 elections. Beijing's falling out with both Koreas presents a major challenge for coordinating regional policy with new administrations in Washington and Seoul.

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Pyongyang tested regional and domestic politics on six separate occasions by conducting missile launches between February and April. The latest tests coincided with the Xi-Trump summit in Mar-a-Lago and Vice President Pence's visit to South Korea. They also marked the 105th birth anniversary of Kim Il Sung on April 15 amid intense speculation that North Korea might conduct a sixth nuclear test. In addition to supporting five UN Security Council statements on North Korea this year, Beijing on Feb. 18 announced a suspension of DPRK coal imports through December. DPRK military threats also catalyzed US-ROK plans to deploy THAAD, a source of mounting tension that affected all aspects of the China-South Korea relationship. Beijing's retaliation took the form of restrictions from March on business and tourism. South Korea appealed to the WTO for redress and South Korean lawmakers passed resolutions condemning China's retaliation. THAAD emerged at the center of domestic political debate in Seoul after Park Geun-hye's ousting on March 10, following which PRC nuclear envoy Wu Dawei in April engaged major presidential contenders ahead of the May 9 elections. Beijing's falling out with both Koreas presents a major challenge for coordinating regional policy with new administrations in Washington and Seoul.

### Pyongyang tests more missiles

A growing source of regional tension has been the escalation of North Korean military provocations this year, including the test-firing of a new intermediate-range ballistic missile on [Feb. 12](#), four missile launches on [March 6](#), a missile and engine test on [March 21 and 19](#), and failed missile launches on [April 6](#), [April 15](#), and April 28. The tests showcased Kim Jong Un's claims in his Jan. 2 New Year [address](#) that the DPRK is capable of deploying an intercontinental ballistic missile (ICBM) that could reach the US. Although the ROK Defense Ministry on March 19 noted "progress" in North Korea's weapons program and Kim Jong Un [declared](#) the "birth of the Juche-based rocket industry," outside observers including new US President Donald Trump dismissed the tests as failures. China's Commerce Ministry on Feb. 18 announced suspension of North Korean coal imports through the end of the year, following Pyongyang's Feb. 12 test and the Feb. 13 killing of Kim Jong Un's brother, Kim Jong Nam. Pyongyang's April 6 test coincided with the Xi-Trump summit on April 6-7, ahead of which

Trump's hardline rhetoric raised South Korean hopes for further Chinese cooperation on the Korean Peninsula. Largely overshadowed by US air strikes on Syria in response to that country's use of chemical weapons on its own population, the summit did not produce any public joint pledges of tougher US-China policy on North Korea as many in Seoul had anticipated; instead, the strikes raised immediate concerns over the prospect of a US preemptive strike on the North.

PRC Special Representative for Korean Peninsula Affairs Wu Dawei visited South Korea on April 10-14. In talks with counterpart Kim Hong-kyun, Wu agreed on new measures in the event of Pyongyang's further violations of UN resolutions, but also affirmed Beijing's position on the limits of sanctions in achieving denuclearization goals given Pyongyang's security concerns over the United States. Such claims resonated in South Korea with looming concerns that Washington might shift toward unilateral strategies on North Korea. Wu's five-day visit, however, centered primarily on engaging major presidential contenders and their aides, including Yoo Seung-min and Kim Moo-sung of the splinter conservative Bareun Party, Hong Joon-pyo of the conservative Liberty Korea Party, Sim Sang-jeung of the progressive Justice Party, Park Jie-won of the center-left People's Party, and representatives of the main opposition Democratic Party (Minjoo Party). But his meetings at the Korean National Assembly achieved no breakthrough in reconciling China's opposition to THAAD and Seoul's united appeal against China's widening economic retaliation.

Leadership transitions in Seoul and Washington have intensified the need for South Korea and China to coordinate foreign policy with the Trump administration. Foreign Minister Yun Byung-se's joint statement with US and Japanese counterparts Rex Tillerson and Kishida Fumio at the G20 on Feb. 16 affirmed Washington's defense commitments to its Asian allies, and countered early fears about Washington's isolationist turn under Trump. A [Washington Post](#) commentary on March 29 argued that whether Trump "stands up" up for South Korea against China's THAAD retaliation is a critical test of Washington's commitment to Asian allies in the face of growing pressure from Beijing. South Korea's Foreign Ministry positively assessed the Xi-Trump summit for attaching importance to Seoul's "core interests" through joint commitments to Korean Peninsula

denuclearization and the full implementation of UN Security Council resolutions. But for Lotte Group officials, China's economic retaliation remained a problem despite South Korean diplomacy and the Xi-Trump summit. Trump's praise of China for allegedly increasing pressure on Pyongyang, the reversal of his call to label Beijing a currency manipulator, and calls for trade concessions with China for greater cooperation on North Korea, were seen as contradictions within Washington's policy toward the region.

### **China and North Korea show their differences**

Beijing confronts a steadily deteriorating relationship with North Korea, reflected in recent exchanges between political leaders and state media. There were limited reports on Vice Minister Ri Kil Song's visit to China in March to meet Foreign Minister Wang Yi and other officials amid souring relations following Pyongyang's missile test and suspected killing of Kim Jong Nam, and Beijing's subsequent ban on DPRK coal imports. Pyongyang's test-firing of four missiles two days later suggested the failure of bilateral dialogue. Contrary to South Korean expectations, PRC Special Representative Wu did not follow his April visit to Seoul with a trip to Pyongyang. Wu's last visit to the North was in February 2016 following its fourth nuclear test; his departure from Pyongyang was marked by North Korea's firing of a long-range rocket. President Trump framed the latest ballistic missile test on April 29 as an affront to Beijing, tweeting, "North Korea disrespected the wishes of China and its highly respected President."

Recent attacks between PRC and DPRK state media also indicate current differences over North Korea's military provocations and China's application of economic sanctions. A *Korean Central News Agency* [commentary](#) on Feb. 23 accused a "neighboring country" of dismissing the significance of the Feb. 12 missile test, taking "inhumane steps" of "blocking foreign trade," and "dancing to the tune of the U.S." Such accusations followed a Feb. 14 *Global Times* [report](#) on Beijing and Moscow's condemnation of North Korea's missile test, in which Chinese military expert Song Zhongping argued that "North Korea's missile technology remains underdeveloped" and "China's sanctions are effective." After the latest UN Security Council statement, a *KCNA* [commentary](#) on April 23

threatened "catastrophic consequences for bilateral ties" in response to economic sanctions.

Meanwhile, North Korea's shows of force appear primarily aimed to support Kim Jong Un's domestic political standing. Kim Il Sung's birth anniversary on April 15 was commemorated with a military parade displaying North Korea's national development to both domestic and foreign audiences. As the ROK Unification Ministry has suggested, Pyongyang's apparent revival of the Supreme People's Assembly Diplomatic Commission on April 11, abolished in 1998 under Kim Jong Il, indicates Kim Jong Un's pursuit of conflicting goals of improving external relations while developing nuclear weapons and the economy. According to Lu Chao of the Liaoning Academy of Social Sciences, the April 15 missile test was driven by political and diplomatic goals of promoting national unity at a time of domestic transition in Seoul and Washington. By accelerating the THAAD deployment, the US-ROK response to Pyongyang's troublemaking has spotlighted not only North Korea's but also China's current differences with Seoul and Washington.

### **China takes limited steps to sanction North Korea**

China's steps to ban North Korean coal this year can be traced to Feb. 13, a day after North Korea's missile test, when authorities rejected \$1 million worth of DPRK coal at Wenzhou port, citing high levels of mercury in the shipment.



Overall imports from North Korea to China declined by 35 percent in February-March following Beijing's suspension of coal imports. By the end of March, China and Russia had adopted punitive measures against North Korea's aviation industry, following the United

States' and South Korea's sanctioning last December of Air Koryo, for its suspected involvement in North Korea's illegal activities. Air China also temporarily suspended flights between Beijing and Pyongyang from April 17. On April 25, the airline announced flights would resume on May 5. Contrary to Chinese state media reports, China-based travel agencies have denied any changes in air and train services between the two countries since China's reported moves to suspend package tours to North Korea.

Skepticism remains over the substantive impact of Chinese actions since North Korea's fifth nuclear test last September. Although Beijing implemented UN Security Council Resolution 2321 by temporarily suspending DPRK coal imports in December, its coal imports from North Korea that month actually increased by 13 percent year-on-year to 2 million tons. In the last quarter of 2016, North Korea enjoyed record earnings from coal exports to China amounting to \$408.5 million. Skeptics point to current excess supply in China's coal industry and China's recent agreement to import liquefied petroleum gas from North Korea for the first time, providing an additional source of foreign currency for Pyongyang. Customs data and shipping activities at Chinese ports suggest that there are continued imports of UN-sanctioned minerals from North Korea in violation of UNSC resolutions. Despite enhanced implementation of UNSC resolutions, Beijing still is able to circumvent its own coal ban through exemptions on humanitarian and livelihood grounds. According to DPRK defector and former diplomat Thae Yong Ho, the current coal ban is primarily aimed at pressing Pyongyang toward China's regional diplomatic preferences of Six-Party Talks, rather than imposing significant economic costs that could destabilize the regime.

The limits of Chinese pressure have resulted in greater US and South Korean attention to unilateral and "secondary" sanctions, which coincide with the Trump administration's emphasis on more aggressive enforcement of trade policies. Ahead of the Xi-Trump summit, the Treasury Department's blacklisting of one DPRK trading firm and 11 individuals on March 31 was a warning of US willingness to impose secondary sanctions on Chinese firms that supported Pyongyang's weapons programs. Zhongxing Telecommunications Equipment Corp. in early March was fined \$1.2 billion for

illegal exports to Iran and North Korea, the biggest ever fine levied by the US government in an export control case according to the US Department of Commerce. A report by the Institute for Science and International Security in April indicated that another Chinese firm, Shenyang Machine Tools Co., exported tools to North Korea in 2015 containing banned subcomponents. But if these measures are viewed in Beijing as part of a more confrontational approach to China, secondary sanctions may only harden Beijing's official line of dialogue over pressure and its claims of limited Chinese leverage.

### **China-ROK THAAD dispute intensifies**

The main target of Beijing's economic retaliation is South Korea in response to the deployment of THAAD. Within weeks of the Trump administration's inauguration in January, ROK Defense Minister Han Min-koo and US Defense Secretary James Mattis reaffirmed plans for its deployment this year. Acting President Hwang Kyo-ahn and Vice President Pence renewed this commitment in April against steady Chinese opposition. The ROK Foreign Ministry called in PRC Ambassador Qiu Guohong in early January amid growing indications of China's economic retaliation in the trade and cultural sectors by the end of last year, at which time both sides had been relatively cautious about undermining bilateral ties. While the THAAD controversy loomed over the bilateral meeting between Foreign Ministers Wang Yi and Yun Byung-se at the Feb. 18 Munich Security Conference, tensions flared in March with the shutdown of Lotte operations in China by local authorities and the China National Tourism Administration's imposition of travel restrictions to South Korea.



Although Beijing denied any involvement, these actions coincided with the ROK Defense

Ministry's conclusion of a land swap deal with Lotte Group on Feb. 28 and initiation of talks with US Forces Korea on March 2 on the terms of deployment. THAAD dominated PRC Special Representative Wu Dawei's meetings in April with South Korean presidential contenders, who presented a united front in pressing Beijing to lift its economic restrictions on South Korea despite their contending positions on THAAD.

South Korea's appeal to the WTO on March 17 and the Korean National Assembly's March 30 resolution urging China to end its retaliation won support from US counterparts. As the THAAD deployment began on March 6, US senators [voiced](#) objections to China's "diplomatic bullying and economic coercion against South Korea," pressing Beijing to instead use its economic leverage over North Korea. US House of Representatives lawmakers on March 23 introduced a bipartisan [resolution](#) calling on Beijing to "immediately cease its diplomatic intimidation and economic coercion" undermining South Korea's sovereign right to self-defense. The ROK Foreign Ministry praised the House Foreign Affairs Committee's March 29 [passing](#) of measures to strengthen sanctions on Pyongyang, condemn its ICBM development, and relist it as a state sponsor of terrorism. While there was little indication that the Trump-Xi summit yielded Chinese understanding on the THAAD deployment, the US-ROK-Japan Defense Trilateral Talks in Tokyo on April 19 produced a joint press statement demonstrating unity against China's THAAD retaliation.



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The THAAD dispute has raised South Korean sensitivities over security frictions with China, including the incursion of 10 Chinese military plans into the Korea air defense identification zone (KADIZ) on Jan. 9, and clashes over illegal Chinese fishing in South Korea's exclusive economic zone. But more importantly for South Korea's domestic politics, the THAAD

deployment has been met with angry opposition from not just Beijing but also many South Koreans. More than 2,500 citizens joined a petition on April 6 demanding that the Constitutional Court rule on the legitimacy of Seoul's THAAD decision, claiming that it violates their basic rights to peaceful and healthy life.

### South Korea braces for THAAD's economic "consequences"

Beijing's hardline rhetoric against THAAD has translated into a series of policy actions restricting China-ROK trade, business, and cultural interactions. With the progression of deployment plans in March, China's Foreign Ministry amplified its threats of "necessary measures" and "consequences" for the US and South Korea. South Korean retail giant Lotte Group suffered the biggest blow to its China operations after concluding a land swap deal with the ROK Defense Ministry on Feb. 28, including closures of almost 90 percent of its stores by local authorities due to "safety" violations. China's National Tourism Administration ordered major travel agencies in Beijing to suspend services to South Korea on March 2 as the ROK Defense Ministry and US Forces Korea began talks to finalize the terms of THAAD deployment.

The Korea Development Bank projects \$20 billion in potential losses in trade with China should the diplomatic spat continue, more than half of which are in the tourism and duty-free sectors. In effect since March 15, China's travel ban appeared to have an immediate impact on the number of Chinese travelers to South Korea, whose inflow at Incheon airport dropped by 38 percent on-year in early April. The number of Chinese tourists to South Korea is expected to decline by 50 percent overall this year. South Korea's Chinese visitors of 8.1 million in 2016 accounted for about half of all inbound foreigners and 70 percent of duty-free operators' annual revenue of 8.6 trillion won (\$7.59 billion) according to the Korea Tourism Organization (KTO). For Lotte Group, losses approached 200 billion won (\$175.5 million) in April and could reach 1 trillion won (\$875.7 million) should suspensions extend through the first half of 2017. The Lotte crisis has ignited fears over Chinese attacks on other major South Korean conglomerates, which depend on China for more than 50 percent of their annual revenue.

China's actions prompted countermeasures across multiple agencies in Seoul, including formal appeals to China's ministries of foreign affairs and commerce on March 28 for the resumption of Lotte operations. Measures within South Korea's own government bodies included the establishment of industrial subcommittees under Seoul's task force on Chinese nontariff trade barriers by the ROK Ministry of Strategy and Finance in January and a \$349.6 million relief fund by the Ministry of Trade, Industry and Energy in March for SMEs. South Korea's Culture Ministry on March 16 set up a damage report center in collaboration with entertainment agencies to monitor China's restrictions on Korean cultural content, while the Korea Tourism Organization on April 12 announced strategies to help the local tourism industry recover from the decline in Chinese visitors.

Of greater concern for China-ROK relations is THAAD's impact on anti-Korean sentiment among Chinese consumers and their "voluntary" boycott of South Korean products, as is claimed by Beijing. According to one South Korean survey conducted in March 2017 in Beijing, Shanghai, and Guangzhou, 56 percent of Chinese see China's economic retaliation against Lotte Group as "wrong" (19 percent) or "very wrong" (37 percent). But an overwhelming 85 percent support Beijing's decision to ban the sale of tour packages to South Korea, while 82 percent believe that the THAAD issue undermines South Korea's national image. There is also a decline in cultural interactions from the South Korean side. The Ministry of Education in March reported cancelations of school field trips to China, while South Korea's own travel agencies in April indicated a decline in China-bound sales by up to 50 percent on-year.

### **South Korea's domestic politics and the China factor**

China's response to THAAD has intensified domestic political debate in South Korea, where relationships with China and the US remain a polarizing issue. *Xinhua* published an [interview](#) with Song Young-gil of the main opposition Democratic Party on Jan. 12, calling for increased China-ROK communication on THAAD as "brother nations," and claiming that "the US holds the key" to the DPRK nuclear issue. China's economic measures sparked a clash between the ruling Liberty Korea Party,

which supports current deployment plans, and opponents seeking to defer the decision until the next administration. The Democratic Party sought to discuss THAAD during a visit to Beijing on Jan. 4-6 to meet Foreign Minister Wang Yi and members of the National People's Congress Foreign Affairs Committee, but the visit incited a backlash from conservative leaders who criticized such efforts for setting a precedent that would enable China to infringe on Korean sovereignty. By March, however, Woo Sang-ho of the Democratic Party supported calls for China to end its economic retaliation, arguing that Beijing has "gone too far." PRC Special Representative Wu Dawei's exchanges with political leaders in April revealed a basic consensus against China's incursions on South Korea's sovereign right to self-defense, and excessive retaliation extending to the private sector.

China's annual parliamentary session in March also signaled Beijing's foreign policy orientation ahead of the party congress this fall that is expected to bolster Xi Jinping's political leadership. Although it prioritized a stable US-China relationship under the Trump administration, it also made clear that China's policy priorities remain domestic. Beijing's opposition to Hong Kong independence and affirmations of the One China policy in Taiwan were major highlights of Premier Li Keqiang's 2017 [Government Work Report](#).

### **Conclusion: North Korea tests China and challenges regional security**

The Trump administration has placed North Korea front and center as a major security threat and has prioritized the use of maximum pressure on Pyongyang designed, in the words of US Pacific Command's Adm. Harry Harris, to "bring Kim Jong Un to his senses, not to his knees." This formulation incentivizes China to enhance enforcement of existing UNSC resolutions while also threatening to do something more – including but not limited to the imposition of secondary sanctions on Chinese business partners of North Korea – if Beijing's pressure fails to rein in North Korea's drive to develop a credible nuclear threat to the United States. Enhanced Trump administration prioritization of the issue raises the stakes – and the tensions – with each additional North Korean nuclear and missile test, while building expectations that North Korea will be punished for its continued efforts.

While the United States and South Korea have attempted to incentivize China's expanded pressure on North Korea, Beijing has pursued a similar strategy toward South Korea in response to the THAAD deployment, using economic retaliation to raise the political and economic costs to South Korea for cooperation with the US on THAAD. China's strategy has multiple aims: first, to influence the South Korean domestic political debate about the THAAD deployment; second, to draw a line for South Korea to signal China's discomfort with the deployment of US military systems that could be used to expand the US-ROK alliance beyond its main focus of deterring North Korea; third, to reinforce China's reliance on a policy of economically punishing neighbors that don't adhere to China's political priorities.

In the near-term, China's dual pressure strategies toward North and South Korea have put China's relationships with both Koreas under increasing strain despite the (mistaken) assumption that China's rising economic power can be used to achieve specific political outcomes. In the case of North Korea, China's economic pressure is being applied at the behest of the US and despite China's qualms that too much pressure could lead to war or instability, that China has long sought to avoid. Yet it is increasingly likely that the objective of denuclearization can only be achieved at the cost of war or instability. China's application of enhanced economic pressure has resulted in strident objections from Pyongyang, but has failed to convince North Korea to change direction. Instead, North Korea has doubled-down on its nuclear and missile development. China's economic pressure on South Korea has likewise thus far been a failure, antagonizing the South Korean public and strengthening support for the THAAD deployment. If South Korea's domestic politics produce an outcome that shows South Korea to be vulnerable to China's pressure, this result will signal a steady curtailment of Korea's autonomy and could erode the alliance with the United States,. If South Korea stands firm against Chinese economic pressure, there will be material losses for South Korea, it will send a message from a "peripheral state" about the limits of China's power, and provide evidence of the utility and durability of the US-ROK alliance.

# CHRONOLOGY OF CHINA-KOREA RELATIONS

## JANUARY – APRIL 2017

**Jan. 3-6, 2017:** ROK delegation of the main opposition Democratic Party (Minjoo Party) visits Beijing and meets Foreign Minister Wang Yi, other CPC officials, and members of the National People's Congress Foreign Affairs Committee.

**Jan. 5, 2017:** South Korea's Foreign Ministry summons PRC Ambassador to Seoul Qiu Guohong to protest China's economic retaliation against THAAD.

**Jan. 5, 2017:** The PRC Foreign Ministry expresses China's opposition to THAAD.

**Jan. 6, 2017:** ROK Ministry of Culture, Sports and Tourism announces plans to develop customized tour programs for Chinese.

**Jan. 9, 2017:** PRC Foreign Ministry calls for restraint on the Korean Peninsula in response to Pyongyang's Jan. 8 threats on launching an inter-continental ballistic missile.

**Jan. 9, 2017:** About 10 PRC military planes enter Korean air defense identification zone (KADIZ), prompting ROK Air Force to send warning messages and fighter jets to intercept.

**Jan. 11, 2017:** ROK Safety Minister Park In-yong in a New Year policy briefing to Acting President Hwang Kyo-ahn urges China to crack down on illegal fishing in ROK waters.

**Jan. 11, 2017:** Eleventh round of China-Japan-Korea Free Trade Agreement (FTA) talks is held in Beijing.

**Jan. 14, 2017:** ROK Coast Guard seizes two Chinese fishing boats for entering South Korean waters.

**Jan. 16, 2017:** Acting President Hwang Kyo-ahn orders ROK Coast Guard officials to respond firmly to illegal Chinese fishing.

**Jan. 20, 2017:** ROK Ministry of Strategy and Finance announces plan to establish subcommittees for industrial sectors under Seoul's task force on Chinese nontariff trade barriers.

**Jan. 25, 2017:** China, Japan, and South Korea hold 10<sup>th</sup> round of talks between Central and South American affairs director generals, including bilateral talks on the sidelines.

**Jan. 30, 2017:** DPRK officials attend Lunar New Year reception at Chinese Embassy in Pyongyang.

**Feb. 7-8, 2017:** Officials from North and South Korea's committees for the joint implementation of the June 15 summit declaration meet in Shenyang.

**Feb. 8, 2017:** ROK Unification Ministry states that it has asked China to prohibit Chinese buyers from purchasing goods produced at the Kaesong Industrial Complex.

**Feb. 9, 2017:** Lotte Group confirms that it closed down its store on China's leading online shopping outlet Tmall on Jan. 12.

**Feb. 10, 2017:** Third round of China-Japan-Korea Cyber Policy Consultation is held in Tokyo.

**Feb. 12, 2017:** North Korea conducts a ballistic missile test. PRC Foreign Ministry expresses China's opposition.

**Feb. 13, 2017:** Kim Jong Nam is killed at Kuala Lumpur airport.

**Feb. 14, 2017:** UN Security Council condemns North Korea's missile test.

**Feb. 15, 2017:** South Korea agrees to return on March 22 remains of Chinese soldiers killed in the Korean War.

**Feb. 16, 2017:** South Korean lower court sentences Chinese man to 25 years in prison for murdering a South Korean woman in Jeju.

**Feb. 18, 2017:** PRC and ROK Foreign Ministers Wang Yi and Yun Byung-se meet on the sidelines of the Munich Security Conference.

**Feb. 18, 2017:** PRC Commerce Ministry announces that it will suspend imports of North Korean coal, for the remainder of the year.

**Feb. 28 – March 4, 2017:** DPRK Vice Foreign Minister Ri Kil Song leads a delegation to China and meets PRC Foreign Minister Wang Yi and other officials.

**March 2, 2017:** China National Tourism Administration announces a travel ban to South Korea for China-based travel agencies.

**March 2, 2017:** Six DPRK soldiers illegally cross the border into China.

**March 2, 2017:** Incheon Regional Office of Oceans and Fisheries announces that China and South Korea will conduct annual joint inspections of international ferries operating between China's eastern port cities and Incheon.

**March 3, 2017:** PRC and ROK envoys Wu Dawei and Kim Hong-kyun talk by telephone.

**March 3, 2017:** ROK Acting President Hwang states that South Korea will push forward with THAAD deployment plans.

**March 3, 2017:** ROK Foreign Ministry expresses concern over China's travel restrictions to South Korea.

**March 3, 2017:** South Korea's political parties criticize China's economic retaliation against THAAD.

**March 3, 2017:** ROK Embassy in China's new task force on countering China's THAAD retaliation holds its first meeting.

**March 4, 2017:** China suspends Lotte Mart operations in Dandong. Chinese hold protests against THAAD in front of Lotte Department Store in Shenyang.

**March 5, 2017:** Lotte Group holds meeting to discuss countermeasures against China's THAAD retaliation.

**March 5, 2017:** ROK Trade Minister Joo Hyung-hwan and Foreign Minister Yun Byung-se separately warn against possible Chinese violations of WTO and China-ROK FTA agreements.

**March 6, 2017:** North Korea fires four ballistic missiles toward the East Sea.

**March 7, 2017:** ROK Ministry of Trade, Industry and Energy announces an emergency relief fund to SMEs exposed to financial risks from Chinese trade restrictions.

**March 7, 2017:** PRC Foreign Ministry threatens further retaliatory actions against ROK for THAAD deployment.

**March 7, 2017:** Zhongxing Telecommunications Equipment Corporation (ZTE) agrees to pay \$1.2 billion in fines for illegal exports to Iran and North Korea.

**March 8, 2017:** South Korea's ruling Liberal Korea Party expresses concerns over China's THAAD retaliation.

**March 8, 2017:** Lotte Group indicates that more than half its China-based hypermarket chains have been forced to temporarily suspend operations.

**March 8, 2017:** PRC Foreign Minister Wang Yi at China's annual parliamentary session in Beijing renews China's positions on the Korean peninsula.

**March 8, 2017:** ROK Acting President Hwang Kyo-ahn reiterates Seoul's plans to deploy THAAD.

**March 10, 2017:** Seoul Constitutional Court upholds Dec. 9 National Assembly impeachment of Park Geun-hye, ending Park's presidency.

**March 10, 2017:** Park Sam-koo, chairman of Kumho Asiana Group, is re-elected head of Korea-China Friendship Association.

**March 10, 2017:** Korea Development Bank-led creditors of Kumho Tire Co. announces an agreement to sell Kumho Tire to Chinese tire maker Qingdao Doublestar Co.

**March 14, 2017:** South Korean air carriers announce plans to reduce China-bound flights to deal with declining demand.

**March 14, 2017:** Korea Football Association announces that it has requested safety precautions be taken by the Asian Football Confederation and the Chinese Football Association for the March 23 World Cup qualifying match in Changsha, Hunan.

**March 15, 2017:** China's travel ban to South Korea goes into effect.

**March 15, 2017:** Activist group "Justice for North Korea" reports that Chinese authorities have arrested two South Korean pastors for protecting DPRK defectors in China.

**March 16, 2017:** South Korea's Culture Ministry in collaboration with entertainment agencies establishes a damage report center on China's restrictions on Korean cultural content in China.

**March 17, 2017:** Seoul appeals to WTO over China's measures on South Korean tourism and retail businesses.

**March 17, 2017:** China's Foreign Ministry defends China's opposition to THAAD.

**March 17-23, 2017:** US Special Representative for North Korea Policy Joseph Yun travels to Beijing and Seoul and meets counterparts Wu Dawei and Kim Hong-kyun.

**March 19, 2017:** ROK Finance Ministry announces that China has rejected talks between finance ministers at the G20 Finance Ministers Meeting.

**March 20, 2017:** ROK Embassy in Beijing issues a safety advisory ahead of a FIFA World Cup qualifying match between China and South Korea on March 23 in Hunan.

**March 21, 2017:** Chairman of House Foreign Affairs Subcommittee on Asia and the Pacific Rep. Ted Yoho (R-FL) calls for secondary sanctions on Chinese firms doing business with North Korea.

**March 22, 2017:** Chinese delegation led by former Vice Foreign Minister and PRC Ambassador to the United Nations Wang Yingfan visits Seoul and meets ROK Vice Minister Lim Sung-nam.

**March 22, 2017:** Korea Football Association announces China will mobilize 10,000 police officers for the World Cup qualifier match between China and South Korea in Hunan.

**March 22, 2017:** ROK Ministry of Education announces cancellations of field trips to China by South Korean schools.

**March 22, 2017:** South Korea repatriates remains of Chinese soldiers killed during Korean War.

**March 23, 2017:** China beats South Korea 1-0 in Asian qualification round in Changsha for the 2018 FIFA World Cup.

**March 23, 2017:** US House of Representatives introduces a bipartisan resolution condemning China's retaliation against South Korea in response to THAAD deployment.

**March 24, 2017:** ROK's finance minister pledges actions against China's THAAD retaliation.

**March 26, 2017:** South Korean civic group holds a memorial in Dalian marking the 107<sup>th</sup> anniversary of the execution of independence fighter Ahn Jung-geun by Japan.

**March 27, 2017:** China's Commerce Ministry announces it has launched an anti-dumping probe against ROK exports of a chemical product.

**March 28, 2017:** Seoul sends a formal request to the Chinese government to allow Lotte to resume business operations in China.

**March 28, 2017:** ROK Ministry of Foreign Affairs states that the ministry and other websites have come under cyberattacks originating from China.

**March 29, 2017:** South Korean exporters at a conference held by the Korea International Trade Association call for Seoul and Beijing's joint efforts to resolve economic frictions resulting from THAAD deployment.

**March 30, 2017:** Korean National Assembly adopts resolution urging China to cease economic retaliation over THAAD.

**March 30, 2017:** ROK Foreign Ministry states that China and Russia have adopted sanctions affecting North Korea's aviation industry.

**March 30, 2017:** ROK Foreign Ministry in a press briefing positively assesses Washington's resolution urging China to cease retaliation against South Korea over THAAD.

**March 31, 2017:** ROK military states that it will resume operations against illegal Chinese fishing near the inter-Korean sea border in the West Sea.

**March 31, 2017:** China's Foreign Ministry confirms China offered assistance for the transit of the body of Kim Jong Nam from Kuala Lumpur via Beijing to Pyongyang.

**April 2, 2017:** ROK Ministry of Trade, Industry and Energy states that it raised concerns in the WTO's Technical Barriers to Trade Committee meeting over China's economic retaliation.

**April 4, 2017:** PRC Ambassador to the DPK Li Jinjun leads Chinese Embassy delegation to ceremonies in Pyongyang commemorating Chinese People's Volunteer Army members killed during the Korean War.

**April 4, 2017:** Bipartisan group of 26 US senators in a joint letter urges President Trump to "call upon President Xi to reexamine his view of the THAAD deployment."

**April 4, 2017:** Asiana announces plans to reduce flights to and from China and increase flights to and from Japan and Southeast Asia in April-June in response to lower Chinese demand.

**April 4, 2017:** South Korea's *MBC TV* announces that distribution rights for its documentary series *DMZ, the Wild* have been sold to China's biggest streaming platform iQiyi.

**April 5, 2017:** Chinese salvage ship *Dali* returns to Shanghai after completing operations since August 2015 to recover South Korea's sunken *Sewol* ferry.

**April 5, 2017:** North Korea conducts a ballistic missile test. China's Foreign Ministry calls for restraint on the Korean Peninsula.

**April 5, 2017:** South Korean plaintiffs represented by Korea Green Foundation President Choi Yul and attorney Ahn Kyung-jae file law suit against governments of Seoul and Beijing over the health impacts of fine dust.

**April 6, 2017:** UN Security Council adopts statement condemning DPRK April 5 missile launch.

**April 8, 2017:** President Donald Trump briefs Acting ROK President Hwang on his April 6-7 summit with President Xi Jinping.

**April 9, 2017:** ROK Foreign Ministry positively assesses the Xi-Trump summit in press release.

**April 10, 2017:** Media reports confirm that Beijing ordered trading firms to return North Korean coal imports.

**April 10, 2017:** China's Foreign Ministry calls for restraint on the Korean Peninsula.

**April 10-13, 2017:** Twelfth round of China-Japan-ROK FTA talks is held in Tokyo.

**April 10-14, 2017:** PRC Special Representative for Korean Peninsula Affairs Wu Dawei meets ROK counterpart Kim Hong-kyun and major presidential contenders in Seoul

**April 12, 2017:** China's Foreign Ministry calls for Korean Peninsula denuclearization talks.

**April 12, 2017:** Presidents Xi and Trump in telephone talks discuss North Korea and other issues.

**April 12, 2017:** Korea Tourism Organization President Jung Chang-soo announces strategies to help South Korea tourism industry recover from a decline in Chinese visitors.

**April 12, 2017:** *Radio Free Asia* reports that China has closed South Korean cable TV channels.

**April 14, 2017:** Air China announces will temporarily suspend flights between Beijing and Pyongyang starting April 17.

**April 17, 2017:** PRC Foreign Ministry calls for restraint on the Korean Peninsula after North Korea's failed missile test on April 16.

**April 19, 2017:** ROK Transport Ministry issues plans to help local airlines deal with the decline in travel to and from China.

**April 20, 2017:** ROK Foreign Ministry indicates that it is working to confirm reports on Trump-Xi remarks that Korea "used to be part of China."

**April 20, 2017:** UNSC adopts statement condemning North Korea's April 16 missile launch.

**April 21, 2017:** South Korean historians and activists protest in Seoul in response to reports on Xi-Trump remarks that Korea "used to be part of China."

**April 24, 2017:** President Trump discusses North Korea in separate telephone talks with President Xi and Prime Minister Abe Shinzo.

**April 24, 2017:** Human Rights Watch urges China not to repatriate eight DPRK defectors detained by Chinese authorities in March.

**April 25, 2017:** Air China announces it will resume flights to Pyongyang beginning May 5.

**April 26, 2017:** China's Foreign Ministry expresses opposition to THAAD after the arrival of key elements of the system at the Seongju site.

**April 26, 2017:** Chinese man is sentenced to 30 years in prison for murdering a South Korean woman in Jeju last year.

**April 29, 2017:** North Korea tests a ballistic missile.