

# COMPARATIVE

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## CONNECTIONS

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**CHINA- KOREA RELATIONS**

### **NORTH KOREA, THAAD OVERSHADOW BEIJING AND SEOUL'S 25<sup>TH</sup> ANNIVERSARY**

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Days after Moon Jae-in's presidential victory in Seoul on May 9, Pyongyang continued a series of missile tests that demonstrated the range and capability of its weapons, including an intercontinental ballistic missile capable of striking the United States. Early exchanges between Chinese leaders and the new Moon administration provided a chance to reset bilateral ties, including at Beijing's Belt and Road Forum in June and South Korea's hosting of the AIIB meeting in Jeju a month later. China supported the adoption of new UN Security Council Resolutions 2356 and 2371 on North Korea, pledging to enforce expanded sanctions and announcing domestic measures to enhance sanctions enforcement. The China-ROK strategic dialogue in June and the first Xi-Moon meeting in July, however, failed to narrow differences over THAAD, clouding Beijing and Seoul's 25<sup>th</sup> anniversary celebrations of diplomatic normalization in August. Meanwhile, public attacks between Chinese and North Korean media indicate continued deterioration in the China-DPRK relationship.

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## **Pyongyang defies Chinese and international pressure**

North Korea tested two intermediate-range ballistic missiles (IRBMs) on May 14 and May 21; a short-range ballistic missile on May 29; several short-range projectiles on June 8; a new rocket engine on June 23; two intercontinental ballistic missiles (ICBMs) on July 4 and July 28; three short-range ballistic missiles on Aug. 26; and an IRBM on Aug. 29. Following weeks of US negotiations with Beijing, the UN Security Council adopted [Resolution 2356](#) on June 2 sanctioning more DPRK officials and entities, including North Korea's Strategic Rocket Force, which manages its ballistic missile programs. In response to Pyongyang's two ICBM tests in July, the UN Security Council on Aug. 5 adopted [Resolution 2371](#), aimed to cut North Korea's annual export revenue of \$3 billion by a third.

President Trump in Twitter remarks on May 29 called Pyongyang's ballistic missile test an indication of "great disrespect" for China, a neighbor who is "trying hard." Chinese frustration with its North Korean ally surfaced with Pyongyang's first ICBM test on July 4, which the PRC Foreign Ministry condemned as a violation of "clear rules on North Korea's ballistic missile technology and activities" under UN Resolutions. PRC Ambassador to the UN Liu Jieyi raised an early alarm on July 3, cautioning against "disastrous" consequences without an immediate resumption of dialogue. US Defense Secretary James Mattis in a [CBS interview](#) on May 28 similarly warned against the risks of "catastrophic war" posed by Pyongyang's military threats if not resolved through diplomatic means. The July 4 test came three days after Moon Jae-in's first summit with Trump in Washington, seemingly rejecting the new South Korean president's pledge to improve inter-Korean ties through dialogue. It was also timed two days before Moon's talks with President Xi Jinping on the sidelines of the G20 Summit in Hamburg, where the two leaders condemned the test as "unforgivable" but failed to reconcile ongoing differences over THAAD.

## **Coordinating Chinese, ROK, and US approaches to North Korea**

The escalation of North Korean military threats has amplified the need to coordinate policy responses among China and the new administrations in Seoul and Washington. Beijing is pushing for a two-pronged approach

to Korean Peninsula denuclearization that calls for Pyongyang's suspension of nuclear and missile tests in exchange for the suspension of US-ROK joint military exercises. Since taking office May 10, Moon has promoted his own dual-track approach of seeking DPRK denuclearization and inter-Korean dialogue. In a May 2 *Washington Post* [interview](#) ahead of his election, he expressed support for Trump's "pragmatic approach" of pressure and openness to dialogue. The Trump administration's four-point policy was revealed later that month during a meeting between a bipartisan group of ROK politicians and US Special Representative for DPRK policy Joseph Yun. It ruled out the military option despite earlier indications of such a possibility while emphasizing the following points: (1) not recognizing North Korea as a nuclear weapon state, (2) sanctions and pressure, (3) not seeking regime change, and (4) dialogue.

Although President Moon seeks cooperation with Beijing and Washington, he has stressed Seoul's pursuit of a more independent DPRK policy under his leadership. At the Jeju Forum on June 1, Moon reiterated his promise to "take the lead in dealing with Korean Peninsula issues without relying on the role of foreign countries." Rep. Park Byeong-seug of the ruling Democratic Party delivered Seoul's core positions as South Korea's representative to the "Belt and Road Forum" on May 14-15 in Beijing, where he met separately with President Xi and State Councilor Yang Jiechi: (1) no war under any condition, and (2) no discussion of the Peninsula's future without South Korea's presence. Prospects for a China-ROK diplomatic reset waned as the PRC digested Moon's support of THAAD in the run-up to his first meeting with President Trump in Washington at the end of June. By the time Moon met Xi on the sidelines of the G20 in Germany, the damage had been done. Beijing dismissed Seoul's proposal of three-way negotiations with Washington on THAAD, which included formation of a joint panel to examine THAAD's technical specifications, reportedly raised during the summit talks in Germany.

Timed against annual US-ROK military drills, Pyongyang's latest missile test in August, according to Kim Jong Un, was "the first step of the military operation of the Korean People's Army in the Pacific and a meaningful prelude to containing Guam." Beijing's linkage of DPRK tests and US-ROK military exercises targets

what China has long identified as a lack of trust between North Korea and the United States, as Foreign Minister Wang Yi outlined in his joint press [conference](#) with Russian counterpart Sergei Lavrov on May 26. He Lei, vice president of the PLA Academy of Military Science, similarly identified Pyongyang and Washington's mutual suspicion as the primary source of the nuclear impasse in his [speech](#) at the 2017 Shangri-La Dialogue in Singapore on June 2-4, where regional attention centered on North Korea and the Trump administration's Asia policy.

### **China's strained relations with Seoul and Pyongyang**

Although Beijing has welcomed both US-DPRK contact and Moon's inter-Korean reconciliation initiatives, the immediate obstacles to regional coordination lie in China's own strained ties with both Pyongyang and Seoul. The *Korean Central News Agency (KCNA)* on May 3 directly [attacked](#) China, arguing that, "the DPRK will never beg for the maintenance of friendship with China" and will pursue nuclear weapons "no matter how valuable the friendship is." While past criticisms have refrained from identifying China by name, this article explicitly targeted the *People's Daily* and *Global Times* for voicing North Korea's threat to China's national interests as mouthpieces of the Chinese Communist Party and government. In an Aug. 25 *KCNA* article, Jong Myong Chol of the Institute of International Studies of Korea criticized "some big neighboring countries" for supporting recent US-led sanctions, an apparent reference to China and Russia.

Chinese officials quickly welcomed the chance to "reset" China-ROK ties after the presidential victory of Moon Jae-in, who during the election campaign displayed a [cautious](#) attitude toward THAAD, which an early May *Xinhua* [commentary](#) characterized as Seoul's "major foreign policy mess." In a press [release](#) following Pyongyang's May 21 missile test, Foreign Minister Wang Yi indicated that "the new South Korean administration has brought new changes to the country's China policy, and its attitude towards China is also different from that of its predecessor." Pyongyang's provocations since Moon's move into office, however, present limited options for bilateral and regional dialogue.

### **One Belt, One Road and the AIIB: an opportunity for engagement?**

Pyongyang's first missile launch in May disturbed both Moon's inauguration and Beijing's hosting of the "Belt and Road Forum" on May 14-15, the highest-profile meeting of Xi's Belt and Road Initiative (BRI) since it was launched in 2013. Gathering at least 28 heads of state and government according to official Chinese sources, the forum also brought together ROK and DPRK delegations led by Rep. Park Byeong-seug and North Korea's Minister of External Economic Relations Kim Yong Jae. Many South Korean observers saw Park's attendance as an occasion for advancing Xi and Moon's "mutual consensus on repairing South Korea-China relations," reached in telephone talks in May immediately after Moon's election. Such hopes to renew ties continued over a three-day visit by Moon's new special envoy to China, Lee Hae-chan, on May 18-20, during which he met President Xi, State Councilor Yang Jiechi, and Foreign Minister Wang Yi. However, the protocol for the Xi-Lee meeting rankled South Korean media, which noted that Lee was seated in a subordinate position to that of Xi, in contrast to his visit to Beijing 15 years earlier as Roh Moo-hyun's special envoy, at which time Lee was treated as an equal in his meeting with Hu Jintao.

South Korea's hosting of the AIIB's second annual meeting on Jeju Island on June 16-18 presented another opportunity for reengagement. Moon in his opening address praised the region's "great potential to lead the global economy" and noted close alignment between the bank's plans and his own agenda for national development, including new infrastructure investment and job creation. His first international meeting as ROK president, the AIIB gathering also served as Moon's platform for seeking regional support for inter-Korean economic integration and broader regional peace. However, as a *Xinhua* [article](#) suggested in May, Chinese calls for reviving ties with Seoul through such regional economic initiatives remain dampened by skeptical perceptions of Xi's project as merely "political rhetoric."

Anticipation of closer cooperation under the Moon administration waned as China and South Korea marked their 25<sup>th</sup> year anniversary of diplomatic ties in August, which reflected intensified friction over THAAD and China's

economic retaliation. At the fifth China-ROK Public Diplomacy Forum in Jeju on Aug. 17, PRC Ambassador Qiu Guohong called THAAD China and South Korea's "most difficult challenge" since normalization. The PRC Foreign Ministry stepped up Beijing's warnings against "necessary measures" since THAAD became operational in early May. The China-ROK Strategic Dialogue in Beijing on June 20, led by Vice Foreign Ministers Zhang Yesui and Lim Sung-nam, made no progress in narrowing differences. Ahead of his state visit to Russia, Xi Jinping criticized THAAD for undermining regional stability and Korean Peninsula denuclearization in an interview with Russian media on July 3. China Institute of International Studies head Jiang Yuechun [told Yonhap](#) on Aug. 17 that the THAAD deployment would drive a regional arms race in Northeast Asia. South Korean observers stress the gravity of the THAAD issue with China, which, unlike past bilateral disputes over history or trade, involves conflicting geopolitical interests between China and the US and appears to have imposed clear bounds on development of Sino-ROK relations. Furthermore, Beijing's policy rhetoric and actions have fired up South Korea's domestic debates on the future of the US-ROK alliance in response to Trump's critical attitude toward burden sharing.

### Pressure shifts to China

The escalation of Pyongyang's military threats has shifted US and ROK pressure increasingly toward China through secondary sanctions and other policy measures. President Moon in a June 22 [Reuters interview](#) argued that Chinese efforts to punish North Korea have yielded "no tangible results," noting that "without the assistance of China, sanctions won't be effective at all." Held just days after the death of detained US college student Otto Warmbier in North Korea, the inaugural US-China Diplomatic and Security Dialogue on June 21, was led by US Secretary of State Rex Tillerson and Secretary of Defense Jim Mattis, and PRC State Councilor Yang Jiechi and PLA chief Gen. Fang Fenghui. DPRK denuclearization and the full implementation of UN resolutions were priority issues. Calling North Korea Washington's "top security threat," Tillerson stressed Beijing's "diplomatic responsibility to exert much greater economic and diplomatic pressure on the regime." President Trump on June 20 acknowledged China's limited influence over Pyongyang, stating on Twitter: "While I greatly appreciate

the efforts of President Xi & China to help with North Korea, it has not worked out. At least I know China tried!" In his efforts to close any perceived gaps with Trump, Moon has unhesitatingly supported the US push for stronger sanctions enforcement by China.

On May 4, the US House of Representatives passed a bill authorizing sanctions on North Korea's suppliers of crude oil, targeting China as the North's principal energy source. While China's ban of coal imports from February supported UN sanctions, recent Chinese media debates on cutting off North Korea's oil supply fed rumors of a shift toward tougher measures should Pyongyang continue provocations, including a sixth nuclear test. (China ultimately decided against a North Korea oil cut-off, opting instead for a cap in UN Security Council discussions following North Korea's September 2017 nuclear test.) China is reported to have imposed a limited three-day suspension of its crude oil supply to the North more than a decade ago in 2003, citing technical issues as a reason for the temporary cut-off after Pyongyang launched a ballistic missile. Sun Xingjie of Jilin University [indicated](#) to the *South China Morning Post* in April that China's suspension of crude oil supplies would have to last for at least half a year to have a significant impact. South Korean analysts remained very skeptical about the prospect of China's imposition of such an oil embargo given the implications for North Korea's internal stability.

A day after the UN's adoption of its August resolution, China warned North Korea against additional provocations in talks between PRC Foreign Minister Wang Yi and counterpart Ri Yong-ho on Aug. on the sidelines of ASEAN meetings in Manila, where Wang also met ROK counterpart Kang Kyung-wha. In line with the August resolution, China's Ministry of Commerce pledged to enforce sanctions banning imports of coal, iron, iron ore, lead, and seafood from Aug. 15. According to the Korea Trade-Investment Promotion Agency (KOTRA), the import ban will reduce North Korea's exports to China by \$1.53 billion, amounting to 62 percent of goods sold to China at the end of last year. China-DPRK trade reached \$6.06 billion last year and accounted for 93 percent of North Korea's total external trade. North Korea's total exports to China shrank by 32 percent in May, declining for the third consecutive month after China's import ban of North Korean coal in February. The drop in coal imports to zero in

March–May was accompanied by sharp increases in coal imports from other partners like Indonesia, Mongolia, and Russia.

As experts such as Zhang Tuosheng of the China Foundation for International and Strategic Studies [indicated](#) in August, the decline in China’s energy exports to North Korea may be a result of the North’s growing self-sufficiency in meeting its energy needs rather than sanctions. A June [report](#) by Stanford University’s Asia-Pacific Research Center and South Korea’s Institute for National Security Strategy shows that North Korea’s trade dependence on China has increased with the growing impact of international sanctions, with oil and food aid (excluded in official statistics) supporting military activities. KOTRA similarly indicated in May that Chinese electronic goods and automobiles are dominating the DPRK market as the North continues to manage the impact of prolonged sanctions. DPRK imports of LCD TVs from China in January–March this year increased by 90 percent on-year, while mobile phone imports, most of which are made in China, increased by 141 percent.

Ahead of Trump–Moon talks on June 29–30, US Treasury Secretary Steven Mnuchin announced Washington’s blacklisting of Bank of Dandong as a “primary money laundering concern,” a move that some predicted may have effects similar to the 2005 US sanctions on Macau-based Banco Delta Asia. The US Treasury also sanctioned two Chinese individuals and Dalian Global Unity Shipping Co. Complementing the August UN resolution, the US Treasury Department on Aug. 22 announced new sanctions on 16 individuals and entities mainly from China and Russia. In addition to sanctions, US pressure on China has widened, to include Washington’s downgrading of China’s human trafficking status and approval of the first arms sales to Taiwan since Trump’s inauguration.

### **Pessimism looms over China–ROK interdependence**

Changes in the composition of South Korean exports to China, currently led by the IT sector, reflect the structural transformation of the bilateral economic relationship since normalization. While automobile exports have multiplied more than six times since 1992, they dropped by 91 percent in 2015–2016 with reduced Chinese demand for Korean cars. Seoul’s export strategy now targets China’s

consumer goods market, which according to the Hyundai Research Institute expanded to 15 percent of the US market last year compared to 3 percent in 2006. South Korea’s share of the Chinese consumer goods market grew from 4.2 to 7.8 percent in 2011–2017, with beauty products accounting for almost three-quarters of ROK consumer exports to China.

South Korea’s participation in the AIIB as its fifth biggest stakeholder (after China, India, Russia, and Germany) has also boosted prospects for cooperation in the infrastructure market, which the Asian Development Bank projects will amount to \$1.3 trillion annually in 2016–2030 among emerging Asian economies. In a meeting between AIIB President Jin Lique and ROK Finance Minister Kim Dong-yeon on June 15 ahead of the AIIB’s annual meeting in Jeju, Seoul agreed to invest \$8 million in the AIIB’s Project Preparation Special Fund for developing countries. A Bank of Korea report in June urged local businesses and financial and government agencies to work together to facilitate South Korea’s expansion into the growing Asian infrastructure market through the China-led bank. South Korean companies experienced a boom in sales in China’s excavator market with China’s increased spending on infrastructure, led by South Korea’s biggest construction equipment producer Doosan Infracore, which accounted for 9 percent of the Chinese market share last April.

South Korea’s long-term concerns remain fixed on the uneven nature of interdependence. China, as South Korea’s biggest export market, accounted for 25 percent of ROK exports last year, but PRC exports to South Korea have hovered around 5 percent of total exports since 2000. Public opinion surveys suggest pessimistic perceptions of an increasingly competitive relationship. In a survey of KOTRA employees in China this summer, 38 percent of respondents indicated that South Korea will lose its position as the biggest exporter to China within the next two years. In terms of brand recognition, 46 percent already see South Korea as lagging behind China. Following Beijing’s drive to boost domestic consumption, South Korean experts are calling for an export strategy that moves away from intermediary products, which made up 78 percent of South Korea’s total exports to China in 2014 according to the latest figures from the Korea Center for International Finance.

PRC, ROK, and Japanese senior financial officials and central bankers in trilateral talks on the sidelines of an annual Asian Development Bank meeting in Yokohama on May 5 issued a strong statement of unity against “all forms of protectionism” amid concerns over Trump’s protectionist orientation, following the March meeting of financial chiefs of the G20 economies. But China’s lower-level representation by its deputy finance minister, and absence of bilateral talks between Ministers Xiao Jie and Yoo Il-ho, reflected political tensions over THAAD.

### **Economic implications of the THAAD dispute**

South Korea’s deepened economic dependence on China amplifies current concerns over the costs of China’s economic retaliation against THAAD. Speaking at the Public Diplomacy Forum in Jeju, Jiang Yuechun of the China Institute of International Studies warned of economic costs for South Korea amounting to \$15 billion and a 0.59 percent decline in annual GDP should the THAAD controversy continue. Moon Jae-in’s inauguration in May appeared to revive private and public exchanges, including local-level diplomatic and cultural exchanges, trade events, flight services, and tourism programs that were suspended or postponed last year amid the THAAD dispute. But local industry projections show that the losses for Lotte, South Korea’s fifth biggest conglomerate, may amount to 2.5 trillion won (\$2.2 billion) should business disruptions continue through the end of the year. Food product rejections, representing 14.5 percent of all product rejections, almost quadrupled in March and April compared to the same period last year according to the Korea Agro-Fisheries and Food Trade Corporation, mostly for violating local label and packaging rules. The Korea International Trade Association on June 16 revealed China’s blacklisting of 24 South Korean manufacturers and exporters of cosmetics and food products for failing to meet quality standards. Furthermore, South Korea’s leading retailer Shinsegae in May announced E-Mart’s voluntary withdrawal from China, citing poor performance and failure to fully assimilate the brand into the local market.

The number of Chinese visitors to South Korea dropped by 47 percent on-year in January-July according to the Korea Tourism Organization, with an almost 70 percent decline in July alone. Following China’s ban of group tours to South

Korea in March, the number of travelers on Chinese routes operated by domestic carriers dropped by 45 percent from 2.04 million to 1.12 million in July according to the Ministry of Land, Infrastructure and Transport. In July, Shenyang banned local tour agencies from issuing visas for individual travel to South Korea, mainly to target unauthorized Chinese travelers. On the South Korean side, the number of South Korean visitors to China almost halved in March-May, and accounted for 15 percent of all outbound Korean travelers compared to 33 percent in the same period last year. South Korean travel agencies reported a more than halving of travelers to China, accompanied by an expansion in the number of travelers to Southeast Asia and Japan.

South Korean businesses in China point to a historic low point since the “Korean Wave” of the 2000s, characterized by weakening competitiveness and political frictions over THAAD. Once among the biggest beneficiaries of normalization, the Korean entertainment industry [sees](#) itself as a victim of geopolitics, facing the hardest pressures of anti-Korean sentiment and state restrictions since entering the Chinese market 25 years ago. A South Korean public opinion poll by the Asan Institute for Policy Studies showed a sharp increase in negative views of China’s influence on South Korea from 21 to 60 percent in just two years since 2015.

### **Conclusion: prospects under Moon**

Hopes for “[resetting](#)” ties between Beijing and Seoul centered on the need for the new leadership under President Moon to address regional stability (by suspending THAAD) and revive South Korea’s economic growth, both of which require closer engagement with China. At the China-ROK Public Diplomacy Forum in August, PRC Ambassador to South Korea Qiu Guohong [identified](#) THAAD as the “most difficult challenge” facing bilateral relations but emphasized a 25-year trend of “practical benefits” of cooperation that “cannot be reversed.” ROK Ambassador to China Kim Jang-soo in a *Yonhap* [interview](#) on Aug. 22 similarly expressed confidence in building a constructive relationship with China through closer communication. But Moon was unable to generate diplomatic space between the US and South Korea, which Beijing appears to have made a prerequisite for stabilizing Sino-South Korean relations. It turns out to have been an

impossible ask for a South Korea that cannot tolerate any gaps with its primary alliance partner and security guarantor, the US. Moon's approach to foreign policy has been realistic and pragmatic, while China's pressure strategies against South Korea have proven to be unrealistic, costly, and counterproductive.

Many South Koreans find that President Moon came into office under the worst external conditions ever faced by a new South Korean leader, including North Korea's military threats, Trump's alliance policy, and tensions among Northeast Asian neighbors. This environment has vitiated his campaign agenda of forging a new path of engagement with Pyongyang, upgrading the alliance relationship with Washington, and advancing regional multilateral cooperation, revealing the constraint that dictates South Korea's navigation of relations between Washington and Beijing. Ironically, just when Seoul would not be blamed for looking hard at alternatives to alliance under a US president who questions prior assurances and maximizes tactical uncertainty, Beijing has removed itself from consideration as an alternative patron by pursuing bullying tactics and distancing itself from Seoul. China's estrangement from both Pyongyang and Seoul is a product of paralysis in Chinese policies toward the Korean Peninsula and undercuts Chinese interests and influence toward a critical set of neighbors on its periphery. As with almost every Chinese policy, there is no choice but to wait and see how things play out after the dust settles on China's October Party Congress.

# CHRONOLOGY OF CHINA-KOREA RELATIONS

## MAY – AUGUST 2017

**May 3, 2017:** A Korean Central News Agency (KCNA) commentary criticizes China for criticizing the DPRK's nuclear weapons program.

**May 3, 2017:** China Southern Airlines resumes its Cheongju-Yanji flight services.

**May 5, 2017:** PRC, ROK, and Japanese finance and central bank officials hold trilateral talks in Yokohama on the sidelines of an annual meeting of the Asian Development Bank.

**May 10, 2017:** President Xi Jinping congratulates Moon Jae-in on his election as ROK president.

**May 11, 2017:** Presidents Xi and Moon hold telephone talks

**May 11, 2017:** ROK Foreign Minister Yun Byung-se sends a message to PRC counterpart Wang Yi expressing condolences for the death of former Vice Prime Minister Qian Qichen.

**May 11, 2017:** ROK Vice Foreign Minister Lim Sung-nam requests Chinese government assistance in managing a school bus accident in Weihai that left 10 South Korean children dead.

**May 14-15, 2017:** ROK and DPRK delegations attend China's Belt and Road Forum for International Cooperation in Beijing.

**May 14, 2017:** North Korea conducts a missile test.

**May 14-15, 2017:** President Xi and State Councilor Yang Jiechi meet a ROK delegation led by Rep. Park Byeong-seug on the sidelines of the Belt and Road Forum in Beijing.

**May 14, 2017:** Rep. Park of ROK ruling Democratic Party and DPRK Minister of External Economic Relations Kim Yong-jae meet on sidelines of the Belt and Road Forum in Beijing.

**May 15, 2017:** Former ROK Prime Minister Lee Hae-chan is appointed special envoy to China.

**May 18-20, 2017:** President Moon's special envoy Lee visits China and meets President Xi and State Councilor Yang on May 19 and Foreign Minister Wang Yi on May 18.

**May 21, 2017:** North Korea test-fires a ballistic missile.

**May 22, 2017:** UN Security Council condemns North Korea's missile test.

**May 22, 2017:** PRC Foreign Minister Wang Yi releases a press statement expressing hopes for improving China-Korea relations.

**May 23, 2017:** PRC Foreign Ministry expresses support for the Moon administration's reported plans for inter-Korean reconciliation.

**May 24, 2017:** Dozens of South Koreans sue the PRC and ROK governments over the health costs associated with fine dust pollution.

**May 24, 2017:** SK chief Chey Tae-won to meet government and business leaders and participate in the Korea Foundation-Fudan University-hosted Shanghai Forum.

**May 26, 2017:** PRC Foreign Minister Wang Yi at a joint press conference with Russian counterpart Sergei Lavrov in Moscow calls for a peaceful resolution to the Korean nuclear issue.

**May 29, 2017:** North Korea fires a short-range missile toward the East Sea.

**May 31-Jun. 1, 2017:** PRC Foreign Ministry expresses concern over the delivery of four additional THAAD launchers to the ROK.

**May 31, 2017:** Shinsegae Vice Chairman Chung Yong-jin announces E-Mart's withdrawal from China.

**June 1, 2017:** PRC Foreign Ministry expresses support for Seoul's steps to approve inter-Korean civilian contact.

**June 1-3, 2017:** Chinese and South Korean virtual reality (VR) companies hold an investment forum on the sidelines of the 2017 Busan VR Festival.

**June 2-4, 2017:** PRC and ROK officials and experts attend the 2017 [Shangri-La Dialogue](#).

**June 2, 2017:** UN Security Council adopts Resolution 2356 sanctioning North Korea.

**June 4, 2017:** North Chungcheong provincial government announces that Cheongju International Airport has resumed flights to China.

**June 7, 2017:** China Cultural Center in Seoul and *Yonhap News Agency* agree to promote cultural exchanges.

**June 8, 2017:** PRC Foreign Ministry calls for restraint after North Korea launches several short-range projectiles toward the East Sea.

**June 8, 2017:** Second China-ROK-Japan Trilateral High-Level Dialogue on the Arctic is held in Tokyo.

**June 14, 2017:** China's Foreign Ministry welcomes former US basketball player Dennis Rodman's visit to North Korea.

**June 15, 2017:** Asian Infrastructure Investment Bank (AIIB) President Jin Liqun and ROK Finance Minister Kim Dong-yeon meet in Jeju. South Korea agrees to invest \$8 million in the AIIB Project Preparation Special Fund.

**June 16-18, 2017:** South Korea hosts the AIIB's second annual meeting of the board of governors in Jeju. President Moon delivers a congratulatory address.

**June 16, 2017:** PRC and ROK Finance Ministers Xiao Jie and Kim Dong-yeon meet on the sidelines of the AIIB meeting in Jeju.

**June 16, 2017:** PRC Foreign Ministry expresses support for inter-Korean reconciliation after President Moon proposes dialogue between the two Koreas.

**June 16, 2017:** Korea International Trade Association indicates that China has blacklisted 24 South Korean manufacturers and exporters.

**June 20, 2017:** ROK Vice Foreign Minister Lim Sun-nam meets State Councilor Yang Jiechi in Beijing and holds a high-level strategic dialogue with PRC counterpart Zhang Yesui.

**June 20, 2017:** China Geological Survey, Korea Institute of Geoscience and Mineral Resources, and Geological Survey of Japan hold the Trilateral GeoSummit in Jeju.

**June 21, 2017:** US-China Diplomatic and Security Dialogue meets and announce agreement not to do business with UN-blacklisted DPRK entities, and work together toward denuclearization.

**June 22, 2017:** President Moon in a *Reuters* interview discusses China's North Korea policy.

**June 24, 2017:** ROK Foreign Ministry extends condolences over deaths from a landslide in Mao County, Sichuan.

**June 26, 2017:** Human Rights Watch urges China not to repatriate five DPRK defectors detained by Chinese authorities in June.

**June 27, 2017:** US State Department's annual *Trafficking in Persons Report 2017* classifies China among worst countries for human trafficking due to its complicity in DPRK forced labor.

**June 27, 2017:** PRC Foreign Ministry expresses support for inter-Korean reconciliation after Seoul approves an aid group request to send humanitarian aid to the North.

**June 28, 2017:** PRC Vice Culture Minister Xiang Zhaolun, ROK First Vice Minister of Culture, Sports and Tourism Na Jong-min, and Japanese Parliamentary Vice-Minister of Economy, Trade and Industry Masaki Ogushi hold 10<sup>th</sup> Trilateral Cultural Content Industry Forum in Tokyo.

**June 29, 2017:** US Treasury Department announces that it has blacklisted Bank of Dandong, two Chinese individuals, and Dalian Global Unity Shipping Co. for their ties to North Korea.

**June 29-July 1, 2017:** PRC and ROK representatives attend the 15<sup>th</sup> East Asia Forum in Changsha, Hunan.

**July 3, 2017:** China's Ambassador to the UN Liu Jieyi calls for dialogue with North Korea.

**July 4, 2017:** North Korea fires a ballistic missile into its eastern waters.

**July 6, 2017:** Presidents Xi and Moon meet on the sidelines of the G20 Summit in Hamburg.

**Aug. 5, 2017:** UN Security Council adopts Resolution 2371 in response to North Korea's two intercontinental ballistic missile tests in July.

**Aug. 6, 2017:** **Aug. 21, 2017:** PRC Foreign Minister Wang holds separate meetings with ROK and DPRK counterparts Kang Kyung-wha and Ri Yong-ho on sidelines of ASEAN meetings in Manila.

**Aug. 14, 2017:** China's Ministry of Commerce announces that it will enforce the latest UN sanctions on North Korea, effective Aug. 15.

**Aug. 17, 2017:** Fifth China-ROK Public Diplomacy Forum is held on Jeju Island.

**Aug. 24, 2017:** Presidents Xi and Moon, and Foreign Ministers Wang and Kang, exchange separate congratulatory messages on the 25<sup>th</sup> anniversary of diplomatic ties.

**Aug. 24, 2017:** PRC Ambassador Qiu Guohong and ROK Vice Foreign Minister Lim Sung-nam address a reception at the PRC Embassy in Seoul marking the 25<sup>th</sup> anniversary of diplomatic ties.

**Aug. 24, 2017:** Wan Gang, PRC science and technology minister and vice chairman of China's parliamentary advisory body, leads delegation to a South Korean Embassy event in Beijing marking the 25<sup>th</sup> anniversary of diplomatic ties.

**Aug. 24-25, 2017:** The 19<sup>th</sup> China-ROK-Japan environment ministers' meeting held in Suwon.

**Aug. 26, 2017:** Ninth annual China-ROK-Japan cultural ministers' talks held in Kyoto.

**Aug. 29, 2017:** North Korea test-fires an intermediate-range ballistic missile over Japan.

**Aug. 30, 2017:** Former lawmaker Noh Young-min appointed as South Korea's ambassador to China.

**Aug. 30, 2017:** Hyundai Motor Co. indicates that its four plants in China have resumed operations after a week-long suspension brought on by parts supply issues.