

South Korea, Australia sign free trade deal
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South Korea and Australia signed a free trade deal today which will scrap almost all tariffs within a decade while immediately lifting levies on some key exports, including South Korean cars and Australian wine.

Australian Prime Minister Tony Abbott said there was "huge untapped potential" in trade between the two countries as the deal was signed, wrapping up four years of negotiations.

"I'm determined to build on this and I believe what we have signed today makes this a historic moment in the relationship between Australia and Korea," he said at a joint press conference with President Park Geun-Hye.

The two leaders watched as their trade ministers Yoon Sang-Jick and Andrew Robb signed the deal at Seoul's presidential Blue House.

Park said the "comprehensive, high-level free trade agreement" would help expand trade and investment and create new jobs in two countries with "complementary" economies.

The deal will see almost all tariffs on goods traded between the two countries scrapped within ten years of the pact taking effect.

Canberra will immediately abolish 5% tariffs on most South Korea-made cars as well as televisions, refrigerators and machinery.

Seoul, meanwhile, will immediately lift tariffs on nearly half of agricultural imports from Australia including wine and coconut oil, as well as around a fifth of fish imports.

It is hoped that the deal will be ratified by the end of the year, South Korea's trade ministry said.

Australia signed a separate trade pact with Japan yesterday, and Abbott said during today's press conference that Australia is doubling its efforts to clinch a free trade deal with China "as quickly as possible".

But he added: "We will do a deal with China if and when it is clearly in both our countries' best interest to do so".

The deal takes South Korea's total number of free trade agreements to ten, involving a total of 47 countries, Park said, with others including the United States, the European Union, Asean and India.

Seoul was Australia's seventh-largest trading partner last year, with imports to South Korea worth US\$20.78 billion (RM67.84 billion).

South Korea's exports to Australia amounted to US\$9.56 billion dollars, according to South Korean statistics. – AFP, April 8, 2014.

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