USTR Kirk sets speech on long-delayed Korea pact

Doug Palmer October 30, 2009

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WASHINGTON (Reuters) - U.S. Trade Representative Ron Kirk will outline the Obama administration's review of a long-delayed free trade agreement with South Korea in a speech next week, a U.S. business group said on Friday.

President Barack Obama opposed the pact with Asia's third-largest market during last year's election campaign and called for it to be renegotiated to address concerns raised by U.S. automakers and others about the pact.

Kirk will give his speech on Thursday evening at the U.S. Chamber of Commerce, a leading business group that has criticized Obama for failing to move forward on the agreement with South Korea and others with Colombia and Panama.

The speech will come just weeks before Obama visits South Korea at the end of an Asian tour that will also take him to Singapore for the annual summit of the Asia Pacific Economic Cooperation forum and to Shanghai and Beijing.

Obama and South Korean President Lee Myung-bak issued a joint statement when they last met in June saying they "were committed to working together to chart a way forward" for the free trade agreement, which was signed in June 2007.

South Korea's ambassador to the United States, Han Duk-soo, said this month that Seoul hopes the upcoming summit will be a catalyst for action on the long-stalled agreement.

Just two weeks ago, the European Union signed its own free trade agreement with South Korea that is expected to take force by the middle of 2010.

White House deputy national security adviser Michael Froman said this week the Obama administration viewed the EU-South Korea deal with interest but declined to say whether it made it more urgent for the United States to approve its own pact.

Although most mainstream U.S. business and farm groups support the agreement, it faces strong opposition from labor groups and two of the big three U.S. automakers.

The United Auto Workers, Ford and Chrysler say the agreement fails to tear down non-tariff barriers that keep out American cars while eliminating the few remaining tariffs the United States still has on South Korean cars.

The agreement also has been stalled by U.S. lawmakers' concerns over Korean barriers to U.S. beef, although there has been progress on that issue.

(Editing by John O'Callaghan)