



KOREA DIGEST

Korea Digest is a monthly publication of the Korea Centre, School of International Relations and Politics, Mahatma Gandhi University, that compiles major political, security, economic and diplomatic developments in the Korean Peninsula. Korea Digest aims to track, highlight and provide brief analysis of important developments in the Korean Peninsula.

Korea Digest No. 29 November 2025

Contents

1. APEC Summit Wrap-Up: Gyeongju Declaration Adopted as Korea Hands Chairmanship to China Amid Global Economic Uncertainty
2. Lee, Xi Hold First Summit, Push for Renewed Dialogue with North Korea
3. North Korea and Russia Hold Economic Committee Meeting as Exchanges Deepen
4. Lee Outlines Dual-Track Foreign Policy After Summits with Trump and Xi
5. Seoul Strengthens Defense as Pyongyang Hardens Nuclear Stance and Intelligence Warns of Imminent Test
6. Korea–U.S. Trade Deal Finalized as Nuclear Submarine Cooperation Deepens Amid China Concerns
7. Korea, Singapore Elevate Ties to Strategic Partnership
8. Seoul–Washington Defense Talks Underscore Alliance Unity at the DMZ
9. President Lee Embarks on Middle East and Africa Tour Ahead of G20
10. Seoul Navigates Strains with Tokyo Amid Refueling Dispute, Strategic Talks, and China–Japan Tensions
11. Korea Reorients Its Unification Strategy Through Renewed Diplomacy

Prepared by

Gourilakshmi S, Project Fellow, Korea Centre

1. APEC Summit Wrap-Up: Gyeongju Declaration Adopted as Korea Hands Chairmanship to China Amid Global Economic Uncertainty

The 2025 Asia-Pacific Economic Cooperation (APEC) Summit concluded in Gyeongju with all 21 member economies [adopting the “Gyeongju Declaration,”](#) reaffirming the importance of robust trade and investment and laying out a new cooperative vision centered on connectivity, innovation and prosperity.

The declaration marked several firsts. It included cultural and creative industries as engines of regional growth and presented APEC’s first AI cooperation framework, jointly endorsed by both the United States and China. The AI initiative incorporates Korea’s proposals for an Asia-Pacific AI Center and AI for an inclusive society, reflecting the country’s broader digital strategy. Leaders also endorsed the Framework on Demographic Change, pledging collaboration on low birthrates, aging populations, and tech-enhanced care systems. As a compromise, leaders committed to advancing market-driven economic integration, including work toward a Free Trade Area of the Asia-Pacific, while avoiding reference to the World Trade Organization, a term the United States has resisted under President Donald Trump.

President Lee Jae Myung emerged as a key broker in the negotiations. The presidential office said Seoul “demonstrated strong leadership” in bridging differences between the U.S. and China amid tensions over tariffs and trade. U.S. Treasury Secretary Scott Bessent represented Trump at the final session, while Chinese President Xi Jinping stayed through the summit’s close. Lee’s diplomatic balancing act extended beyond the declaration. Ahead of the summit, he secured with Trump a phased \$200 billion investment plan, progress on pending tariff issues, and U.S. approval for Korea’s project to build its first nuclear-powered submarine, easing uncertainties for Korean companies operating in the U.S. The two governments are now working on a detailed fact sheet.

[Lee also held bilateral meetings with Xi Jinping and Japanese Prime Minister Sanae Takaichi,](#) reaffirming Korea’s economic and security ties with China while strengthening regional cooperation with Japan and the United States. Observers noted that Lee’s approach helped stabilize concerns over historical tensions with Tokyo and supply chain vulnerabilities stemming from Beijing. Business confidence also rose during the summit, with Nvidia CEO Jensen Huang committing 260,000 high-end GPUs for the Korean government and domestic firms during the APEC CEO Summit, signaling renewed trust in Korea’s role in the global AI ecosystem.

Still, challenges remain. Tariff and investment negotiations with Washington require careful management to protect Korean interests. China’s nonproliferation concerns could complicate submarine development, while historical disputes with Japan and stalled U.S.–North Korea diplomacy add uncertainty. Lee said he will pursue

“preemptive measures” to rebuild trust with Pyongyang, aiming to revive momentum for Washington–Pyongyang engagement.

At the close of the meeting, [Lee formally handed over the APEC chairmanship to Chinese President Xi Jinping](#), who announced that next year’s summit will take place in Shenzhen. On the sidelines, Lee held his first bilateral summit with Indonesian President Prabowo Subianto, agreeing to deepen cooperation in defense, food security and labor. Most leaders departed Saturday afternoon, while Xi remained in Korea for a scheduled Korea–China summit with Lee later in the day.



President Lee Jae Myung poses with world leaders during the Asia-Pacific Economic Cooperation Economic Leaders' Meeting in Gyeongju, North Gyeongsang Province, Saturday. Newsis



President Lee Jae Myung smiles with his Chinese counterpart Xi Jinping during a banquet at the Lahan Select Gyeongju hotel in Gyeongju, North Gyeongsang Province, Saturday. Courtesy of presidential office

2. Lee, Xi Hold First Summit, Push for Renewed Dialogue with North Korea

President Lee Jae Myung and Chinese President Xi Jinping held their first bilateral summit in Gyeongju, agreeing to strengthen strategic cooperation to create conditions for restarting dialogue with North Korea. Lee welcomed China's recent high-level exchanges with Pyongyang and said Seoul and Beijing should leverage the momentum for regional stability.

The meeting , Xi's first visit to Korea in 11 years took place on the sidelines of the APEC summit. The two leaders signed seven MOUs, including a renewed currency swap, a 2026–2030 economic cooperation plan, an innovation partnership, service-trade cooperation and joint efforts against online fraud.

Xi called Korea and China “inseparable partners,” stressing stable, long-term cooperation. Lee noted shifting economic structures and emphasized evolving bilateral ties to produce “tangible benefits.” They also touched on sensitive issues such as China's rare earth export curbs affecting Korea's EV industry, sanctions on Hanwha Ocean subsidiaries, cultural restrictions, and maritime structures in the Yellow Sea. Both leaders shared time during APEC events, and Lee gifted Xi a zelkova Go board and traditional mother-of-pearl tray as symbols of long-standing friendship.



Korean President Lee Jae Myung, right, shakes hands with Chinese President Xi Jinping as at a state dinner held at a hotel in Gyeongju, North Gyeongsang, on Nov. 1. [JOINT PRESS CORPS]

3. North Korea and Russia Hold Economic Committee Meeting as Exchanges Deepen

[North Korea and Russia convened a joint economic committee](#) meeting in Pyongyang to discuss concrete steps for expanding bilateral cooperation, state media reported on Saturday. According to the Korean Central News Agency (KCNA), North Korean External Economic Relations Minister Yun Jong-ho and Russian Minister of Natural Resources Alexander Kozlov led the talks, which focused on implementing cooperative projects outlined in the Comprehensive Strategic Partnership Treaty signed by the two countries in June last year. Senior North Korean officials, including Workers' Party Secretary Kim Tok-hun, also greeted the visiting Russian delegation.

The latest meeting marks another step in the rapidly growing exchanges between Pyongyang and Moscow, which have strengthened their political, military and economic engagement over the past year. KCNA also reported that North Korean Foreign [Minister Choe Son-hui returned to Pyongyang on Friday after trips to Russia and Belarus](#). During her visit to Moscow, Choe paid a courtesy call on Russian President Vladimir Putin, reaffirming high-level diplomatic coordination. She later

attended the third Minsk International Conference on Eurasian Security in Belarus before heading home. The series of meetings underscores the accelerating momentum in North Korea–Russia cooperation amid continued geopolitical realignment in the region.



North Korea and Russia hold a joint economic committee meeting in Pyongyang on Oct. 31, in this photo carried by North Korea's official Korean Central News Agency on Nov. 1. [YONHAP]

4. Lee Outlines Dual-Track Foreign Policy After Summits with Trump and Xi

[President Lee Jae Myung's separate summits with U.S. President Donald Trump \(Oct. 29\) and Chinese President Xi Jinping](#) during the APEC meetings in Gyeongju offered the clearest picture yet of his emerging foreign policy: security anchored in the U.S. alliance, and economic revival through pragmatic engagement with China.

In his meeting with Trump, Seoul and Washington broke months of deadlock to reach a trade and investment deal capping Korean annual investment in the U.S. at \$20 billion for 10 years, replacing earlier U.S. demands for a \$350 billion upfront payment. Trump also approved U.S. nuclear fuel support for Korean submarines, a move Seoul hailed as a strong symbol of alliance trust. Both sides are preparing a joint policy paper outlining expanded defense and economic cooperation.

Lee reaffirmed the U.S. role as “crucial” for Korean Peninsula peace and promoted his END initiative—Exchange, Normalization and Denuclearization—while urging Washington to act as “peacemaker” as Seoul seeks to be a “pacemaker.” Days later, Lee held his first bilateral summit with Xi, marking Xi’s first visit to Korea in 11 years. The meeting signaled an effort to repair strained ties following China’s 2017 retaliation over THAAD. Lee called for “strategic communication” to enable conditions for renewed inter-Korean dialogue, while Xi described the two countries as “inseparable partners.”

Seoul and Beijing signed seven MOUs, including renewal of the won–yuan currency swap, a 2026–2030 economic cooperation plan, and agreements on innovation, startups, service trade, and joint action against online fraud—described by Seoul as “livelihood-oriented” cooperation. Analysts say Lee’s approach appears to be “security and economy with the U.S., livelihood-centered cooperation with China,” but warn that unresolved U.S.–China tensions and North Korea’s nuclear issue pose continued diplomatic risks for Seoul. Xi used the APEC stage to promote “true multilateralism,” seen as a quiet rebuke of Trump’s America-First stance.

5. Seoul Strengthens Defense as Pyongyang Hardens Nuclear Stance and Intelligence Warns of Imminent Test

Tensions on the Korean Peninsula escalated in early November as North Korea dismissed [denuclearization as an unattainable “pipe dream.”](#) even as South Korea strengthened its surveillance capabilities and intelligence officials warned of Pyongyang’s readiness for another nuclear test. North Korea’s statement — issued ahead of President Lee Jae Myung’s first summit with China’s Xi Jinping at the APEC forum — criticized Seoul for repeatedly pushing denuclearization and signaled discomfort toward Beijing’s engagement with the issue.

At the same time, South Korea completed its five-satellite [425 Project with the launch of a new SAR-equipped reconnaissance satellite](#), giving Seoul independent, round-the-clock monitoring of North Korean military activities. The upgraded system enhances South Korea’s pre-emptive “kill chain” and reduces its reliance on U.S. intelligence, with future plans to deploy dozens more small satellites to achieve 30-minute revisit times over North Korea.

Adding to the growing concern, [South Korea’s Defense Intelligence Agency reported that North Korea could conduct a nuclear test at Punggye-ri’s Tunnel No. 3 on short notice](#). Pyongyang is expanding fissile material production, developing multiple nuclear warhead types, advancing ICBMs capable of reaching the U.S. mainland, and refining hypersonic and short-range missile systems. The North is also pursuing nuclear submarines and underwater launch platforms, preparing additional reconnaissance satellite launches with Russian assistance, exporting missiles to Russia

for use in Ukraine, and maintaining psychological operations against the South. Intelligence also noted resumed factory activity in the Kaesong Industrial Complex and a sharp rise in Chinese exports to the North following a recent Kim–Xi summit.

6. Korea–U.S. Trade Deal Finalized as Nuclear Submarine Cooperation Deepens Amid China Concerns

South Korea and the United States spent November consolidating a major trade and security overhaul following President Lee Jae Myung’s summit with U.S. President Donald Trump in Gyeongju. In his Nov. 4 budget speech at the [National Assembly in Seoul](#), Lee announced that the newly finalized tariff deal had significantly reduced economic uncertainty and set a stable framework for Korea’s \$350 billion U.S. investment package. The agreement secures 15% tariff levels on key Korean export sectors—autos, semiconductors, pharmaceuticals, and more—while capping Seoul’s annual investment outflow at \$20 billion to protect foreign exchange markets.

Amid the trade negotiations, nuclear-powered submarine cooperation emerged as a core issue. Lee highlighted “progress” on securing U.S. fuel supply for Korean-built nuclear-powered submarines, framing it as essential to strengthening self-reliant defense. Trump had suggested construction at Hanwha’s Philadelphia shipyard, but Seoul later reaffirmed the submarines would be built in Korea, with U.S. support limited to fuel sourcing and related nuclear consultations.

These details were formally [codified in the joint Korea–U.S. fact sheet](#), which confirmed Washington’s approval for Seoul to pursue its first nuclear-powered attack submarine, collaboration on shipbuilding modernization, and U.S. backing for Korea’s civil uranium enrichment and spent fuel reprocessing for peaceful uses. The fact sheet also expanded the bilateral strategic cooperation covering shipbuilding, critical minerals, AI, energy, and defense procurements, including Korea’s plan to spend \$25 billion on U.S. military equipment and provide \$33 billion in USFK-related support by 2030. The U.S. deepened its own resource strategy as well, with Washington on Nov. 7 [adding copper, metallurgical coal, uranium, and seven other materials to its critical minerals list](#), aiming to reduce dependence on China and boost domestic production.

[Growing regional tensions were reflected in U.S. Navy messaging](#). During his visit to Seoul, U.S. Chief of Naval Operations Adm. Daryl Caudle said it was a “natural expectation” that Korea’s future nuclear submarine would contribute to countering China and that such capability would push the Korean Navy toward a more global role. He emphasized strengthened combined deterrence and did not rule out joint naval operations in the Yellow Sea to respond to Chinese gray-zone activities. Seoul, meanwhile, maintained its balancing act. Lee stated that Korea seeks pragmatic

cooperation with both the U.S. and China, reaffirming restored relations with Beijing after his Nov. 1 summit with Xi Jinping, while aligning closely with Washington on nuclear, maritime, and Indo-Pacific security issues.

7. Korea, Singapore Elevate Ties to Strategic Partnership

President [Lee Jae Myung and Singaporean Prime Minister Lawrence](#) Wong agreed on Nov. 2 to establish a strategic partnership, committing to deeper cooperation in defense, trade, digital industries and emerging technologies.

Following their summit in Seoul, the leaders announced agreements enabling Jeju beef and pork exports to Singapore for the first time. They also pledged stronger collaboration in AI, advanced tech, people-to-people exchanges and joint responses to transnational crimes, including online scams.

The two countries signed multiple MOUs covering digital cooperation, logistics and shipping, culture and sports. Lee highlighted the countries' shared development paths despite resource constraints, while Wong expressed support for Korea's efforts toward peace on the Korean Peninsula and emphasized opportunities in green and digital sectors. Wong visited Seoul after attending last week's APEC summit in Gyeongju.

8. Seoul–Washington Defense Talks Underscore Alliance Unity at the DMZ

[South Korea and the United States reinforced their military partnership](#) in early November through a high-profile joint visit to the Joint Security Area (JSA) and a series of high-level defense talks. Defense Minister Ahn Gyu-back and U.S. Defense Secretary Pete Hegseth made the [first joint JSA visit in eight years](#), signaling a strong show of allied solidarity amid heightened regional tensions. The two received operational briefings near the Military Demarcation Line and emphasized the alliance's firm combined defense posture.

[Their visit preceded the 57th Security Consultative Meeting \(SCM\) in Seoul](#), where both sides discussed modernizing the alliance, the transfer of wartime operational control (Opcon), expanded roles for U.S. Forces Korea, and cooperation on missile defense, cyber readiness and regional security. The agenda also included South Korea's push for a nuclear-powered submarine, following President Lee Jae Myung's recent request for U.S. nuclear fuel support.

In a separate symbolic gesture, the two nations' Joint Chiefs of Staff conducted their first-ever combined formation flight, further highlighting deepening operational coordination. Hegseth's trip (his first to Korea) came during an Asia tour and followed President Trump's visit for a summit with Lee in Gyeongju. The defense chiefs reiterated their intention to advance the alliance "in a future-oriented and mutually beneficial direction" as North Korea strengthens its military ties with Russia and expands its nuclear and missile capabilities.



South Korean Defense Minister Ahn Gyu-back, left, shakes hands with U.S. Defense Secretary Pete Hegseth at the inter-Korean truce village of Panmunjom during a visit to the Joint Security Area (JSA) in Paju, Gyeonggi, on Nov. 3. [MINISTRY OF NATIONAL DEFENSE]

9. President Lee Embarks on Middle East and Africa Tour Ahead of G20

[President Lee Jae Myung visit the UAE](#), Egypt, South Africa, and Turkey, marking his first trip to the Middle East and Africa since taking office in June. The three-day state visit to the UAE will include summit talks with President Mohamed bin Zayed Al Nahyan, focusing on defense, investment, advanced technologies, and AI. Lee described the UAE as a potential “base camp” for South Korea’s economic expansion in the region.

In Egypt, Lee will meet President Abdel Fattah el-Sisi, deliver a speech at Cairo University, and highlight Seoul’s initiatives for the Middle East as the two nations celebrate 30 years of diplomatic ties. [At the G20 summit in Johannesburg](#), Lee

outlined Korea's economic policy, address climate change, supply chains, AI, and met leaders from MIKTA (Mexico, Indonesia, Turkey, Australia, Korea).

The tour concludes with a two-day visit to Turkey to meet President Recep Tayyip Erdogan, discussing defense, nuclear energy, and biotechnology cooperation. Through these visits, Lee aims to [strengthen Korea's ties with the Global South](#), promote advanced technology partnerships, and expand South Korea's cultural and economic influence across Africa and the Middle East.

10. Seoul Navigates Strains with Tokyo Amid Refueling Dispute, Strategic Talks, and China–Japan Tensions

South Korea's relations with Japan faced fresh turbulence in November as an unexpected refueling suspension threatened to ground the Air Force's Black Eagles aerobatic team, even as the two governments pursued high-level diplomatic talks and monitored escalating tensions between Japan and China.

[The rift emerged when Tokyo abruptly revoked permission for the Black Eagles to refuel at Naha Air Base on their way to the Dubai Airshow.](#) The Korean Air Force set Saturday as the deadline for Japan to reverse the decision, warning that timely arrival for the Nov. 17 event would become “virtually impossible,” given the need for two refueling stops and advance airspace clearances. The move followed Japan's objection to a Sept. 28 training flight near Dokdo, prompting Tokyo's protest and withdrawal of support for the agreed stopover. The team had previously refueled in Taiwan's Kaohsiung Airport, but alternative arrangements could not be secured due to late notice.

Despite earlier optimism about strengthening defense cooperation after the Lee–Takaichi summit in Gyeongju, Japan's internal political sensitivities over Dokdo influenced the reversal. Both governments have since avoided public escalation; recent meetings between Defense Minister Ahn Gyu-back and Japan's Shinjiro Koizumi—along with statements by President Lee and Prime Minister Takaichi—emphasized restraint. The episode also highlighted structural limitations in bilateral defense cooperation, particularly the absence of a Korea–Japan Acquisition and Cross-Servicing Agreement (ACSA), which prevents the exchange of supplies such as aviation fuel.

Amid this friction, [Seoul and Tokyo prepared for their 16th strategic dialogue](#), led by Vice Foreign Minister Park Yoon-joo and Japan's Takehiro Funakoshi. The talks aim to sustain the diplomatic momentum seen since leadership changes in both countries and to coordinate on regional issues. The meeting follows a year of revived trilateral cooperation with the United States. However, broader regional tensions are complicating Seoul's diplomatic landscape. Analysts warn that Korea may not be able

to remain neutral as China–Japan relations sharply deteriorate following Prime Minister Takaichi’s remarks suggesting potential Japanese intervention in a Taiwan contingency. China responded with aggressive measures including bans on Japanese seafood, travel, and cultural content alongside fiery rhetoric from officials and state media. With U.S. backing, Japan has taken a firmer line, and Takaichi continues to enjoy high domestic approval.

The rising China–Japan confrontation is increasingly intersecting with Korea’s alliances. Recent Korea–U.S. and Korea–U.S.–Japan statements have emphasized stability in the Taiwan Strait, while Washington has reaffirmed its defense commitments to Japan. Korea’s plans to develop nuclear-powered submarines and build U.S. naval vessels domestically endorsed during the late-October summit with President Trump add further sensitivity. Beijing has issued warnings, including cautioning Seoul and Washington not to [“play with fire” over Taiwan](#). For now, Seoul seeks to stabilize ties with Tokyo while avoiding entanglement in the growing rivalry between Beijing and Tokyo. Experts say that Korea’s best option is to maintain its existing alliance framework with the U.S. and Japan while positioning itself as a mediator for regional stability.



The Air Force’s Black Eagles perform an aerial demonstration during a ceremony marking the 77th Armed Forces Day at the Gyeryongdae military headquarters in South Chungcheong on Oct. 1. [JOINT PRESS CORPS]

11. Korea Reorients Its Unification Strategy Through Renewed Diplomacy

November marked a strategic shift in Seoul’s unification policy, with the government intensifying diplomatic outreach to rebuild trust and reopen dialogue with Pyongyang. [Unification Minister Chung Dong-young met with U.S. acting Ambassador Kevin Kim](#) and EU Ambassador Ugo Astuto, urging coordinated support to revive [U.S.–North Korea talks and highlighting a rare “window of opportunity”](#) following

recent international summits. Seoul positioned itself as a “pacemaker,” aiming to create momentum for dialogue ahead of upcoming U.S.–China engagements.

President Lee Jae Myung reinforced this approach by [rejecting “absorption-based unification”](#) and advocating a phased, coexistence-centered model. He argued that past confrontational rhetoric had exacerbated tensions and reaffirmed that sustainable peace must precede any discussion of reunification. [While emphasizing that unification remains a constitutional mandate](#), Lee reiterated Korea’s commitment to the Nuclear Non-Proliferation Treaty and reliance on strengthened U.S. extended deterrence.

Complex regional dynamics elevated the stakes. As China–Japan tensions sharpened over Taiwan, Seoul carefully maintained strategic neutrality. Lee used meetings with Japanese and Chinese leaders at the G20 to underscore the need for balance, warning that Korea must not become “a shrimp between whales.” On a parallel tour through the Middle East and Africa, Lee advanced Korea’s long-term security footing by securing cooperation on defense systems, infrastructure projects, and potential participation in Egypt’s \$3.5 billion airport expansion. He also stressed Korea’s capability to assume wartime operational control, pointing to its globally competitive defense industry.
