

Closer Relations with Latin America

- DPM Han outlines Korea's commitment to IDB

Deputy Prime Minister and Finance-Economy Minister Han Duck-soo attended the Inter-American Development Bank annual conference held on April 10 in Okinawa, Japan.

He was the first to make a keynote speech among 47 member countries represented at the annual meeting.

The top economic official for South Korea said in his speech that South Korea's admission to IDB came at a very opportune time in view of the fact that Asia and South and Central America have been increasing economic relations and mutual dependence.

South Korea can make contributions to the development of relations between the two continents by offering its economic development experience gained in the past 45 years to South and Central America to enhance its economic and social development. Highly praising the region's strong economic growth, stable prices and investment climate, he said Korea will be able to cooperate to solve the region's various economic objectives. He said his country will offer its experience in boosting the region's technology level, public sector reform, management of foreign exchange and welfare needs, strengthening financial systems and improving income gaps.

He said Korea will be able to help improve the poverty in the region which has been persistent despite economic progress by taking part in the region's Millennium Development Goal. He said Korea will contribute to the IDB's fund for the reduction of poverty in the amount of \$50 million. The deputy prime minister said Korea will also take part in technology innovation and private SMEs development projects to enhance the region's social and economic development.

Korea will contribute \$50 million in the IDB's technology innovation fund in its name, \$40 million to SMEs development project fund and \$60 million in multi-development funds in support of small business firms in South and Central America.

The Korean official also stressed Korea's commitment to expanding free trade agreements with the countries in the region and civilian exchanges between Korea and the region to promote trade and investment between Asia and South and Central America.

In meetings with the Finance Minister of Japan, Tanikaki Sadakazu and US Treasury Under

Secretary for International Affairs John B. Taylor, DPM Han discussed major global economic issues such as high oil prices and the currency exchange rate and other imminent issues such as finance and trade cooperation. At the same time, he requested the two countries seek cooperation toward the success of the forthcoming APEC Summit and finance ministers' meeting to be held in Korea in September and November this year, respectively.

Meeting with finance ministers of leading countries in Latin America, including Chile's Finance Minister Nicolas Eyzaquirre and Mexico's Finance Minister Francisco Gil Diaz, took place to provide an opportunity to discuss cooperation within the framework of IDB as well as measures to promote FTAs with Latin American and the Caribbean countries. They were asked to extend cooperation to Korean companies expanding into Latin America and the Caribbean.

IDB President Enrique Iglesias and DPM Han discussed sending a special mission to Korea in April to provide Korean companies with information on the IDB procurement procedures and major projects.

The Korean government has decided to make maximum effort to make the annual meeting a good opportunity to expand private cooperation between Korea and Latin America and the Caribbean.

As part of this effort, five leading Korean companies-Samsung, Hyundai Motor, Hyundai Construction, POSCO and KEPCO-held on April 11 the first ever joint IR, organized by the Federation of Korean Industries, for Latin American and the Caribbean private enterprises and financial institutions attending the Meeting in Okinawa.