

Korea–Australia Cooperation for Overcoming the Global Financial Crisis

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The background of the slide features a stylized globe on the left side, showing the continents of Asia and Australia. The globe is set against a backdrop of flowing, translucent blue curves that sweep across the frame. The overall color palette is dominated by various shades of blue, from light sky blue to deep navy blue.

I

Korea–Australia Partnership

Longtime Allies

- Australia's participation at the Korean War
- Traditional allies since 1961

Close Economic Ties

- Australia: Korea's 8th largest trading partner
- Natural resources and energy sector
- Korea–Australia FTA

Regional Cooperation

- EAS, APEC, ARF, (ASEM)

Active Communication at summit level

- PM Rudd's visit to Korea (August 2008)
- President Lee's visit to Australia (March 2009)
- Meetings at Washington, London and Pittsburgh G20 Summits
- Joint contribution to Financial Times (Sept. 3, 2009)

Climate Change

- **Global Carbon Capture and Storage Institute (GCCSI)**
 - A global clearing house for all state for knowledge on CCS technology
 - Full cooperation to develop CCS technology



II

Korea–Australia Cooperation at the G20

- **The Global Financial Crisis and G20**
- **Common Stance**
- **Cooperation for the G20 London Summit**
- **Cooperation for the G20 Pittsburgh Summit**

- ✓ Housing market bubble
- ✓ Securitization
- ✓ Excessive risk taking by financial institutions
- ✓ Lack of supervision



**The worst global financial and economic crisis
since the 1930s**

**A global crisis
requires
a global solution**

G20 Summit

On G20

- ❖ The need to institutionalize the G20 Summit
- ❖ PM Rudd's support for Korea's bid to host the G20 Summit in 2010



(Pittsburgh Summit Declaration)

“ Finally, we agreed to meet in Canada in June 2010 and in Korea in November 2010. We expect to meet annually thereafter and will meet in France in 2011.”

Agenda

- ❖ Fight against protectionism
- ❖ Toxic asset management
- ❖ Exit strategy



(London) “ **we reaffirm the commitment made in Washington: to refrain from raising new barriers to investment or to trade in goods and services, imposing new export restrictions...**”

(Pittsburgh) **A Framework for Financial Repair and Recovery**

(Pittsburgh) “**we will prepare our exit strategies and, when the time is right, withdraw our extraordinary policy support in a cooperative and coordinated way...**”

Leading the Direction of the Summit Discussions

- Macroeconomic policy as well as Financial regulations
- Fight against protectionism

Proposals on Toxic Asset Management

- A: International Framework for Toxic Asset Management
- K: Korea's proposal on dealing with impaired assets



A Framework for Financial Repair and Recovery

Joint Article (Sept.3, 2009, Financial Times)

＜ The G20 can lead the way to balanced growth ＞

- Challenges for the G20
 - ✓ Follow through on existing commitments
 - ✓ Transition from crisis to recovery
 - ✓ Transition towards more balanced global growth
- The need for G20 Summit in 2010

Joint Circulation on Exit Strategy (Sept.3, 2009)

- The need for international coordination for exit strategy
- General principles of the exit strategy

Support for Korea's Bid to Host 2010 G20 Summit



The Way Forward



To Enhance Cooperation for the 2010 G20 Summit

The background is a vibrant blue gradient. On the left side, there is a semi-transparent globe showing the continents of Asia and Australia. Several curved, glowing blue lines sweep across the background, creating a sense of motion and depth. The text 'Thank you' is centered in a bold, black, sans-serif font.

Thank you