

Brazil and South Korea Sign Common Prosperity Deal

Contributed by Edla Lula
Wednesday, 17 November 2004

The presidents of Brazil and South Korea, Luiz Inácio Lula da Silva and Roh Moo-Hyun, met yesterday in Brasília and signed a memorandum of understanding on energy and mineral resources.

According to the director of the Department of Asia and Oceania at the Ministry of Foreign Relations, Edmundo Fujita, the two presidents also discussed bilateral investments and trade.

They also consolidated a bilateral agreement known as the "Broad Relationship of Cooperation for Common Prosperity in the XXI Century," which covers areas seen as strategic by both countries, such as information technology, natural resources and science and technology.

"As Brazil seeks to discover Asia, Asia seeks to discover Brazil," declared Fujita, referring to the fact that the Roh Moo-Hyun visit occurred just after the departure of the president of China, Hu Jintao, and will be followed by the arrival, today, of the president of Vietnam, Tran Duc Luong.

Among Brazil's Asian trade partners, South Korea is the third biggest (behind China and Japan).

Bilateral trade from January to September of this year reached US\$ 2.3 billion, with Brazil running a trade deficit with South Korea.

Most Brazilian exports to South Korea are of low aggregate value (mainly raw material), while South Korean imports are of high aggregate value (mostly manufactured goods).

South Korea has made large investments in Brazil; for example, its Samsung (electronics) and Hyundai (autos) factories.

Agência Brasil
Translator: Allen Bennett