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**Keynote Address by H.E. Chull-joo Park,
Ambassador of the Republic of Korea to South Africa**

*On the occasion of the seminar titled
'Republic of Korea and South Africa: Partnership, Opportunities and
Shared Vision for the Future' on Tuesday, 23 August 2022*

Ambassador Ntombizodwa Lallie, Acting Deputy Director-General for Asia and Middle East at the Department of International Relations and Cooperation;

Ambassador Woon-ki Lyeo, President of Korea-Africa Foundation;

Councillor Tyrell Meyers, Chief Whip in the City of Johannesburg Council;

Mr Moeletsi Mbeki, National Chairman of the South African Institute of International Affairs (SAIIA);

Ms Elizabeth Sidiropoulos, Chief Executive of the South African Institute of International Affairs (SAIIA);

Excellencies, Ambassadors and High Commissioners;

Distinguished guests, ladies and gentlemen,

On behalf of my Government of the Republic of Korea, it is my honour and privilege to address you today, on the occasion of the seminar jointly hosted by the Embassy of the Republic of Korea in South Africa, the Korea-Africa Foundation and South African Institute of International Affairs (SAIIA).

As we are very familiar, this year, 2022, marks the 30th anniversary since the establishment of diplomatic relations between the Republic of Korea and South Africa. And I think it is a perfect time to look back the last 30 years in order to look forward about the next 30 years of our bilateral relations.

Shortly after the establishment of diplomatic ties between our two countries in 1992, we moved very quickly to establish a framework mainly for economic co-operation by signing relevant agreements, such as an air services agreement, an investment promotion agreement and a double taxation avoidance agreement.

At this point in my speech, I would like to share with you my personal contribution to the build-up of that framework. I visited South Africa for about 10 days around 1994 in order to negotiate the text of the double taxation avoidance treaty between our two countries. At the time of my visit to South Africa then, I felt that there were quite

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outstanding differences between our two countries. While I sat in the left front seat to steer my car in Korea, I was put in that seat here without a steering wheel, which made me very nervous. The order of the seasons is also completely the opposite to that of Korea, which was still something I had to adapt to during that short period of my stay in 1994.

After all, in my memory, I had very nice negotiations with the SA delegation to complete the full text of the treaty. At the same time, I had a very positive impression about South Africa, which was overcoming the sad and tragic time of Apartheid and moving forward towards new era of democracy. And of course, South Africa's good weather was also very impressive and enviable.

Now I am delighted to have been appointed as South Korean Ambassador to South Africa more than 20 years later and to be able to strive to promote an understanding and further enhance relations between our two countries. After already serving in South Africa for one and a half years as an Ambassador, I am also pleased to cover this important year in which our two countries are commemorating the 30th anniversary of their diplomatic relations.

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Looking forward to our future for the next 30 years, I would like to underline that our two countries have important commonalities and potentials to expand our co-operation even further. As introduced in the seminar's concept paper written by SAIIA, both countries suffered from the deep pain of colonial rule, but they have become independent countries by combining their people's capabilities and having established a mature democratic system. Against this backdrop, there have been presidential-level exchanges and our two countries have signed multiple agreements in various fields.

On the other hand, as the economic structures of the two countries are complementary to each other, economic co-operation between our two countries has been expanding across the two oceans. In terms of bilateral trade, trade volumes totalled \$5.35 billion to a record high in 2011, but have been steadily decreasing by about \$3 billion annually. As of 2021, trade between South Korea and South Africa increased by about \$3.6 billion.

Decreasing Korean exports to South Africa were caused by the changes in the global value chain. For example, more than half of SAMSUNG mobile phone are made in Vietnam and India and then exported to South Africa. Furthermore, HYUNDAI has about 10.1% market share of the South African auto market while KIA has about a 5% market share. However, 70% of HYUNDAI and KIA vehicles are imported

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from India and the other 30% comes from South Korea. Most of LG's home appliances come from Southeast Asia as well.

In terms of Korea's investment in South Africa, Korean companies have invested almost \$336 million from 1986 until 2021. As you know, 40 Korean companies have invested in South Africa. Among others, SAMSUNG Electronics, POSCO, Taihan Electric Cable, KC Cottrell as well as Youngsan Glonet are major investors in South Africa. The areas of their investment include the vehicle and its part, electronics, renewable energies and cable manufacturing.

Though it was a very painful experience to watch LG's factory in Durban, to be a sacrifice of unrest in KwaZulu-Natal in July last year, I think Korea's investment in South Africa will be increasing within the next 30 years.

In terms of tourism sector, as you may know, our two countries have different resources, so I believe they have great potential for co-operation in the field of tourism. Although the two countries are geographically distant, people-to-people exchanges have steadily increased, together with a rise in the number of tourists before the outbreak of COVID-19.

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In 2019, 28.7 million Koreans travelled abroad, of which only 18,901 people, or only 0.07%, visited South Africa. Likewise in 2019, only 0.12% of 6 million South Africans that travelled abroad visited Korea. If only 3% of the total number of Korean tourists visited South Africa, South Korea can be the biggest source country to SA tourism. So the potential for scaling up co-operation in this area is very large.

In addition, in the case of agriculture, Korea's experience in *Saemaul Undong* (New Village Movement) can serve as a good example for South Africa's agricultural development and rural income growth.

Distinguished guests, ladies and gentlemen,

I think it is still very important for our two governments to intensify efforts to promote economic co-operation even further between our countries over the next 30 years. In this regard, my embassy has been working very hard to hold the very first Korea-South Africa Business Forum, together with the Korea Chamber of Commerce and Industry and Business Unity South Africa (BUSA) at the end of October this year.

In order to promote economic co-operation between our two countries, the signing of a bilateral FTA can provide an important momentum. Since the signing of the AfCFTA, led by South Africa and

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many other African countries, Korean companies have shown greater interest in entering the African continent through South Africa. In this vein, starting a feasibility study that examines the interests of the two countries before starting the negotiation of a bilateral FTA, needs to be launched in order to expand Korean companies' entry into South Africa.

The lack of quality jobs and inequality between the rich and poor are critical issues for South Africa to deal with. I would also like to remind you what former South African President His Excellency Kgalema Motlanthe said during a seminar on economic development co-hosted by my Embassy and the African Centre for the Constructive Resolution of Disputes, namely ACCORD, in June. He said, and I quote, "I think South Africa, which suffered from youth unemployment and lack of energy, has a lot to learn from successful education and nuclear energy policies of South Korea, which economically developed in a short time by the strong vision of its leadership", and I unquote. Indeed, Korea's rapid economic development can be a good point of reference for South Africa to solve its faced challenges.

In this regard, Korea would like to host the *World Expo 2030 Busan* to share Korea's economic developmental experience with South Africa and other developing countries, and the collect human wisdom on how it can better plan to respond to worldwide climate change through core ideologies such as Greener Life, utilization of

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Technological Innovation and making our society more inclusively. I would like to take this opportunity to solicit the South African Government's valuable support in this regard.

Last but not least, I would like to highlight that tackling climate change and an energy transition are potential areas for further co-operation between our two countries. South Africa has tried to reduce its heavy reliance on coal steadily and replace it with nuclear energy and LNG. As you know, Korea relies on nuclear power for 27.4% and on LNG for 29.2% of its energy mix. Against this backdrop, the Korean government and relevant companies would like to explore possible ways to co-operate in these fields.

The Republic of Korea and the Republic of South Africa will host the 1st JCC between the two countries in Seoul in October 2022, and Her Excellency Minister Pandor will visit Korea in October in order to upgrade the bilateral relations for next 30 years.

Distinguished guests, ladies and gentlemen,

Before concluding, I would like to extend my sincere appreciation to Her Excellency Ambassador Zodwa Lallie and His Excellency Ambassador Woon-ki Lyeo for taking time out of their busy schedules

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to attend this seminar. I would also thank the staff members of SAIIA and our Embassy as well as the presenters at today's event.

I hope that today's seminar will be fruitful and that our Embassy, in collaboration with DIRCO, will continuously strive to make the results of today's seminar a reality. Thank you. /End/