

KABC-AKBC 37th Annual Meeting Joint Statement

The 37th Joint Meeting of the Korea-Australia Business Council led by its Chairman, Ohjoon Kwon, and the Australia-Korea Business Council led by its Chairman, Hon Mark Vaile AO, convened at the FKI Conference Center in Seoul, Korea on October 18, 2016.

The theme of the Joint Meeting was ‘Innovation, New Opportunities, New Growth’. Due to challenges such as the global economic downturn, rising protectionism and increased volatility caused by events such as Brexit, governments and businesses are actively searching for growth opportunities. Both Business Councils have called on their respective governments to maintain their strong support for free and open markets and the growth objects set by the G20. Acknowledging the emphasis on innovation by both governments and the role of new and emerging technologies in our economies, this year’s Joint Meeting introduced new topics of discussion including fintech and smart cities. Combining this with the existing complementarities between our two countries particularly with Korea’s continued dependency on energy imports and Australia’s on resource exports, renewable energy and the future of energy was also discussed. The two Business Councils emphasized that diversifying areas of economic cooperation will not only boost economic growth, but also strengthen ties between the two nations.

Specifically, the following four areas were discussed; (1)Cooperation opportunities between Korea and Australia (2)Finance (3)Renewable energy and (4)Infrastructure and city development.

Cooperation opportunities between Korea and Australia

Session 1, ‘Cooperation opportunities between Korea and Australia’ provided an overview of the current bilateral relationship. A summary of the outcomes from the Services Sector Promotion Forum held on the previous day was provided, acknowledging the role of the KAFTA in opening up the services sector and emphasizing the importance of deregulation in the advancement of the services sector. Next, with KAFTA approaching two years since implementation, an update of the benefits and future tariff reductions was discussed. Lastly, the session on education opportunities explored opportunities for both Australian and Korean students to study in our respective countries. It was also noted that the introduction of the New Colombo Plan by the Australian Government has seen a large increase in the number of Australian students studying in Korea.

Finance

In this session it was noted that financial technology or ‘fintech’ is an emerging industry that has the potential to disrupt the banking sector. Due to its advanced technology capabilities, it was agreed that Korea is a leader in this space and is an industry that

continues to attract entrepreneurs and start-ups. The Korean presenter of the session highlighted a fintech business model and illustrated how collaborating with large financial institutions can deliver valuable benefits for the industry and consumers.

On infrastructure project financing, the Australian speaker highlighted Australia's role as a leader in attracting private investment to deliver critical infrastructure projects. The presentation provided an insight into the unique Australian models of financing infrastructure projects and how a government can flexibly react to changing market conditions to achieve positive outcomes in meeting its infrastructure needs.

Renewable Energy

Both Business Councils agreed that renewable energy is a sector of great potential due to a commitment by both governments to increase the renewable energy targets. This is enhanced by our complementary strengths, namely Korea's advanced research and Australia's availability of land. Strategies including the export of renewable hydrogen through liquid ammonia as well as energy storage were noted as two examples of collaboration opportunities between Australia and Korea.

Infrastructure and city development

The final session explored infrastructure and city development. In addition to an overview of infrastructure and real estate investment opportunities in Australia, the benefits of Australia's stable economic and political climate were highlighted. The Australian speakers delivered a clear message that collaboration with Korea by way of Korean investment or partnerships with Korean engineering and construction companies is encouraged and welcomed. Smart cities was also covered highlighting new opportunities to cooperate on the back of advancing IoT technology.

Council Meeting in 2017 – Both councils expressed satisfaction with the outcome of the 37th Joint Meeting and agreed to hold the 38th meeting in Australia, at a mutually convenient date.



Dr. Ohjoon Kwon
Chairman KABC
October 18th, 2016



Hon Mark Vaile AO
Chairman AKBC
October 18th, 2016