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G20 BILATERAL TALK

DPM Choo Has Bilateral Talks with Indonesia, Singapore, and the IMF

Deputy Prime Minister Choo Kyung-ho had bilateral talks with Indonesia's Minister of Finance Sri Mulyani Indrawati, Singapore's Deputy Prime Minister and Minister for Finance Lawrence Wong and IMF Managing Director Kristalina Georgieva in separate settings in Bali, Indonesia on the sideline of the G20 Finance Ministers and Central Bank Governors Meeting held on July 15 and 16.

Talks with Indonesia's Minister of Finance

DPM Choo had bilateral talks with Indonesia's Minister of Finance Sri Mulyani Indrawati on July 15 and discussed this year's G20 outcomes and future plans, and bilateral cooperation issues.

Current economic challenges and Indonesia's G20 presidency

DPM Choo appreciated Indonesia's leadership of the G20 presidency amid challenging conditions such as the Russia-Ukraine war and global inflation. He mentioned that Korea will actively participate in the global coordination that aims for global economic recovery such as restoration of free trade and reestablishment of the supply chain. He also requested that Indonesia, as a G20 chair, will respond to export restrictions that disrupt the global economy.

Bilateral cooperation

DPM Choo expressed his hopes for the two countries to make close cooperation by making the most of their own specialties as a technologically advanced country (Korea) and a resource-rich country (Indonesia) at a time when the global supply chain is reshaping. In particular, he emphasized the need for strengthening cooperation by capitalizing on Indonesia's upstream industries and Korea's downstream industries as Korea's major businesses related to automobiles, batteries, chemicals, and steel have entered Indonesia and made investments in the supply chain.

Minister Sri Mulyani Indrawati agreed with DPM Choo's suggestion and hoped that Korea will actively invest in the transformation into a green economy that includes the industries of eco-friendly power generation and vehicles.

Moreover, DPM Choo mentioned Busan city's application to organize the World Expo 2030 under the theme of 'Transforming Our World, Navigating Toward a Better Future.' He requested Indonesia's support for Korea to win the bid to host the World Expo 2030, highlighting that Korea is a country that can resolve ongoing challenges the global community faces such as climate change and the digital divide as it has economic development experiences and high technologies.

Talks with Singapore's Deputy Prime Minister and Minister for Finance

DPM Choo had bilateral talks with Singapore's Deputy Prime Minister and Minister for Finance Lawrence Wong on July 15 and at this talk, the two leaders agreed to deepen regional economic cooperation.

Regional economic cooperation

Finance Minister Lawrence Wong requested continuous cooperation for invigorating a digital economy and setting related rules as both countries are recognized as globally leading digital powerhouses.

DPM Choo also asked his Singaporean counterpart to work together to improve regional trade as the two countries are founding members¹ of the Indo-Pacific Economic Framework. He added that Korea will go through domestic procedures to join the IPEF such as an economic feasibility assessment under the laws related to commerce treaties.

Economic productivity

DPM Choo acknowledged the importance of risk management through fiscal and monetary policy mixes to counter current global economic challenges, but more importantly, he emphasized the need for labor and public sector restructuring to raise economic productivity.

Finance Minister Lawrence Wong agreed with DPM Choo and said Singapore has been also focusing on the Education sector such as vocational training.

Talks with IMF Managing Director

DPM Choo had bilateral talks with IMF Managing Director Kristalina Georgieva on July 16 and discussed global key issues.

Economic outlook

IMF Managing Director Georgieva said that the outlook for the global economy has darkened compared to April 2022 due to global economic challenges such as the Russia-Ukraine war and Inflation, but considering Korea's strong economic fundamentals, the extent of the economic slowdown will not be significant compared to other major countries, and Korea is also better positioned to withstand Korean won devaluation than others. In addition, IMF Managing Director Georgieva underscored the importance of an optimal policy mix between fiscal and monetary policies amid these challenging times.

Stronger partnership

DPM Choo pledged to continuously implement policies aimed to enhance the economic fundamentals as well as have close communications with the monetary authorities. Moreover, DPM Choo invited IMF Managing Director Georgieva to the Korea-IMF Digital Currency Conference, which is under discussion to be held in Korea next year, hoping that the event will contribute to strengthening the partnership and the IMF Managing Director Georgieva accepted the invitation in response.

¹ Korea, the United States, Japan, Australia, New Zealand, Singapore, Malaysia, Thailand, Indonesia, Vietnam, Brunei, the Philippines, India, and Fiji