

Draft TC ABSTRACT

I. Basic project data

▪ Country/Region:	Regional
▪ TC Name:	Enhancing Korea-LAC Partnership in Trade and Investment
▪ TC Number:	RG-T3048
▪ Team Leader/Members:	Operti, Fabrizio (INT/TIN); Ahn, Sunghee (INT/TIN); Garrido Rodriguez, Esperanza Idalid(INT/TIN); Cabrera-Macchi, José (INT/TIN); Bendersky, Matias(ORP/PTR); Paz Soldan, Ana Lucia (INT/TIN).
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Research & Dissemination
▪ Date of TC Abstract:	April 28, 2017
▪ Beneficiary (countries or entities which are the recipient of the technical assistance):	Ministries of Trade and Investment, Entrepreneurs from the Inter-American Development Bank (IDB) Borrowing Member Countries
▪ Executing Agency and contact name (Organization or entity responsible for executing the TC Program) {If Bank: Contracting entity} {If the same as Beneficiary, please indicate}	The IDB through the Trade and Investment Division (INT/TIN)
▪ IDB Funding Requested:	US\$ 950,000
▪ Local counterpart funding, if any:	
▪ Disbursement period (which includes execution period):	24 months
▪ Required start date:	June 15, 2017
▪ Types of consultants (firm or individual consultants):	Firms and individual consultants
▪ Prepared by Unit:	Trade and Investment Division (INT/TIN)
▪ Unit of Disbursement Responsibility:	Integration and Trade Sector (INT)
▪ Included in Country Strategy (y/n);	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Promoting regional integration and cooperation

II. Objective and Justification

- 2.1 The main objective of this project is to increase trade and investment opportunities between Korea and LAC. To achieve this goal, this TC will aim to: (i) share the Korean experience, in terms of trade and investment, that may serve as foundation for future cooperation between Korea and LAC countries; (ii) strengthen existing business opportunities and boost emerging opportunities in strategic sectors such as food and beverage, ICT, energy, transport and environment; and (iii) organize business forums where high-level Korea and LAC policy makers, government officials and

entrepreneurs share their ideas and insights on how to maximize the potential of bilateral business relationship in diverse sectors.

- 2.2 The TC addresses two of the three major development challenges identified in the Bank's "Update to the Institutional Strategy 2010-2020": (i) limited trade and economic integration, both intra-regional and international; and (ii) low productivity and innovation. More generally, the series of Asia-LAC forums that have been executed by the Bank all pursue a coordinated strategy that is aligned with the goals of promoting international economic integration, the creation of trade capacity and the improvement of productivity and innovation, by promoting the exchange of best practices and transfer of knowledge with the Bank's member countries in Asia, all of which are significant export markets for LAC firms.

III. Description of activities and outputs

- 3.1 **Component I. Creating the conditions to foster sustainable cooperation:** This component will support LAC public sector officials in acquiring knowledge on up-to-date trends and Korea's experiences and innovations in trade and investment promotion activities, trade facilitation initiatives and policies to foster emerging industries. This will help LAC officials to identify the sectors or issues they should address to improve their business environments in order to support sustainable growth. To achieve this goal, this component will finance: (i) the design of regional workshops on relevant topics to LAC countries; (ii) the travel expenses of LAC government officials' visits to Korea and vice versa; and (iii) the logistics necessary to coordinate these workshops. The workshops can take place in LAC or Korea, as needed, to fully achieve their goals.
- 3.2 **Component II. The 4th Korea-LAC Business Summit:** This component includes a two-day business summit to be held in Seoul, Korea, on October 23-24, 2017. The aim is to create an opportunity to increase trade and investment between both regions. The event will include high-level dialogue between policy makers, government officials and top executives, who will address topics such as: Strategic economic and trade relationships between Korea and LAC, Public Private Partnerships (PPP) to upgrade infrastructure for a better quality of life, E-commerce as the new driver for innovation and growth, Smart Infrastructure & Sustainable production in the era of climate change, among other topics. The main activities of this component will be panel discussions and business networking activities.
- 3.3 **Component III. Promoting new trade and investment business ties between Korea and LAC:** This component aims to promote new trade and investment by generating new business contacts and identifying concrete business opportunities. To achieve this objective, this component will: (i) support the organization of the Korea-LAC business meetings, an on-site, one-on-one business matchmaking event (which will be held on the second day of the Korea-LAC Business Summit); (ii) arrange virtual matchmaking sessions prior to the B2B event, to ensure the optimum compatibility between business partners; (iii) provide support to participants in order to strengthen partnerships that have been initiated already and to solidify these partnerships through a series of follow-up activities; and (iv) track and disseminate success stories on ConnectAmericas to share best practices and generate interest in future events. As in previous events, KOTRA will be technically supporting the selection of participants, meeting arrangements, logistics and follow ups.

IV. Budget

- 4.1 A total of US\$ 950,000 is requested for this project from the Public Capacity Building Korea Fund for Economic Development.

Indicative Budget

Component	Activity	IDB/Fund Funding	Total Funding
Component I: Creating the conditions to foster sustainable cooperation	Overseas travel expenses of government officials participating in workshops as speakers and participants	60,000	60,000
	Individual consultants to provide technical assistance for the organization of workshops	20,000	20,000
	Logistic and administrative expenses	20,000	20,000
	Component Total	100,000	100,000
Component II: The 4th Korea-LAC Business Summit	Overseas travel expenses of panelists	140,000	140,000
	Business networking events	40,000	40,000
	Logistic and administrative support in Korea: local transportation, simultaneous translation, venue, promotional materials, exhibition stands, etc.	250,000	250,000
	Individual consultants to provide technical assistance for the organization of the Summit	20,000	20,000
	Component Total	450,000	450,000
Component III: Promoting new trade and investment business ties between Korea and LAC	Administrative and logistic support for LAC participants	260,000	260,000
	Technical assistance for meeting arrangements	50,000	50,000
	Follow up activities	40,000	40,000
	Component Total	350,000	350,000
Execution, monitoring and dissemination	Individual consultant to support the execution, evaluation and dissemination of the Project	20,000	20,000
	Dissemination materials	15,000	15,000
	Component Total	35,000	35,000
Contingencies		15,000	15,000
Total		950,000	950,000

V. Executing agency and execution structure

- 5.1 This TC forms part of the Bank's initiative to expand regional integration. The Ministry of Strategy and Finance of Korea and the Bank have agreed on organizing the Korea-LAC Business Summit to support the enhancement of bilateral business relationships.
- 5.2 This TC will be executed by the Bank for the following reasons:
- This is a regional project that involves coordination with several regional public and private sector stakeholders, and the Bank is positioned as an ideal actor to execute this project, given its presence in every country.
 - INT/TIN has gained invaluable know-how for the Bank in the execution of Asia-LAC initiatives, including three editions of the Korea-LAC Business Forum (2007, 2011 and 2015), which aimed to create more bilateral trade and investment opportunities between Korea and LAC countries.

VI. Project risks and issues

- 6.1 The success of the project will depend on the active participation of LAC officials and private sector representatives in the projects activities. The cost and logistical arrangements involved in traveling to Seoul pose the risk of reducing attendance from government officials and private sector leaders. The operation will mitigate this risk by: (i) engaging LAC government officials and private sector associations — such as TPOs, Chambers of Commerce, Ministers of Trade, among others — to maximize the number of invited guests; (ii) extensive dissemination and promotion of the event during all stages of the project implementation through traditional communication channels, as well as innovative communication strategies; and (iii) early engagement with attendees to provide additional time for travel arrangements and resolving scheduling conflicts.

VII. Environmental and social classification

- 7.1 The ESG classification for this operation is [C]