



## **2009 INTER-KOREAN COOPERATION FUND LARGELY UNTOUCHED**

As inter-Korean relations continue to worsen, cooperative projects and humanitarian aid efforts have practically ground to a halt, leaving inter-Korean cooperation funds almost untouched.

According to the report “South-North Cooperation Fund Statistics” released by the Ministry of Unification on May 31, the South Korean government budgeted just over 1.508 trillion Won (1.2 billion USD) to fund inter-Korean cooperative projects in 2009, but as of the end of April, only 1.8 percent (26.919 billion Won) had been spent.

Some projects originally granted funds include financing for the construction of an East Sea line inter-Korean import facility and joint-use yard (8.795 billion Won); capital loans for Hyundai Asan economic cooperative projects (5.739 billion Won); NGO aid to the North, including nutritional supplements for children and soybean oil from the Catholic Seoul Archdiocese (2.933 billion Won); loans to cover expenses of the Kaesong Industrial Complex (KIC) Management Committee (2.08 billion Won); and the construction of a KIC General Support Center (2.444 billion Won).

Use of this fund has hit a low water mark, in part because 800 billion Won allocated for rice, fertilizer and other humanitarian aid has not been spent. A ministry official stated, “Rice and fertilizer aid can only proceed according to an agreement between North and South Korean officials following a request from North Korea, but this year, there was no request from North Korea, and therefore the amount of cooperative funding spent was low.



The South-North Cooperation Fund distributed 674.409 billion Won in 2005, 470.995 billion Won in 2006, 715.734 billion Won in 2007, and 231.205 billion Won last year.