

To: the Romanian Ministry of Foreign Affairs (Comrade Cornel Pacoste)

From: the Romanian Embassy in Pyongyang

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Indonesia, a country with great influence in the region and in the non-alignment movement, a member of ASEAN, represents an important partner for both the Democratic People's Republic of Korea and South Korea. Over the last few years both the Democratic People's Republic of Korea and South Korea showed a particular interest in intensifying their relations with Indonesia especially in the economic domain.

In addition to several other objectives, the Democratic People's Republic of Korea and South Korea's actions regarding Indonesia, as well as other states in Asia aim to counter the initiatives of the other side. At the end of February, a governmental delegation led by the Vice Premier, Kong Jin-tae, Minister of External Economic Affairs of the Democratic People's Republic of Korea, paid a visit to Indonesia where he discussed matters regarding the development of commercial relations between the two countries. In April, a South Korean delegation led by a deputy of the minister of the foreign trade might pay a visit to Indonesia.

During 1976 and partially during 1977 the Democratic People's Republic of Korea's relations with Indonesia passed through a stagnant period as a result of the contacts that the Democratic People's Republic of Korea had with representatives of the East Timor. The minister of defense of East Timor made a visit to Pyongyang on January 3rd 1976, however commercial relations between the DPRK and Indonesia have significantly improved over the past 7-8 years. In 1977 exports from the Democratic People's Republic of Korea to Indonesia amounted to 15,244,068 US dollars and the imports to 225,997 dollars.

The main Korean products that were exported were lathes, steel, products of the heavy and light industries, agricultural products, especially rice – about 100,000 tons were exported in 1977. According to the [terms of the economic] agreement between the two countries, rice exports in 1978 will reach 200,000 tons.

On the occasion of his visit to Jakarta, Kong Jin-tae, asked the Indonesian Minister of Foreign Trade to diversify the goods exported to the Democratic People's Republic of Korea, and to export products like: nickel, cooper, wood, rubber, magnesium, pewter and petroleum as well, in order to adjust the balance of trade between the two countries. The commercial relations issues will be discussed thoroughly in the near future, on the occasion of the visit in Pyongyang of an Indonesian trade delegation.

(Analysis written on the basis of Victor Nanu's conversations with Umar Hussein, the Minister- Counselor of the Indonesian Embassy and Davinder Singh, First Secretary of the Indian Embassy in Pyongyang.)

Signed

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