

HD (LEAD) S. Korea, Australia, Indonesia absent as **China** launches regional bank

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(ATTN: ADDS remarks by **Chinese** president in para 8, details in para 4; CORRECTS number of participating countries in para 5)

BEIJING, Oct. 24 (Yonhap) -- South Korea, Australia and Indonesia on Friday did not join the launch of a regional bank led by **China** to fund infrastructure projects in Asia, amid Washington's concerns over the new regional lender as it competes with established multilateral lenders such as the Asian Development Bank (ADB).

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China is pushing to set up the Asia Infrastructure Investment Bank (AIIB) as a counterbalance to the ADB and the World Bank, dominated by the United States, Japan and Western economic powers, as it seeks to increase its economic clout in Asia.

China has offered US\$50 billion with a reported stake of up to 50 percent in the AIIB, but South Korean Finance Minister Choi Kyung-hwan said earlier this week that Seoul is willing to join the new regional bank if **China** improves the governance structure of the AIIB.

Choi has said South Korea and **China** still have been in consultations about the AIIB, saying Seoul could join the new regional bank even if it does not participate in the Friday event.

Representatives from **China** and 20 nations, including India, Singapore, Vietnam and the Philippines, signed a memorandum of understanding at the Great Hall of the People in Beijing.

The AIIB is expected to begin its operations by the end of next year.

Chinese President Xi Jinping asked South Korean Park Geun-hye to join the AIIB during their summit in July this year.

After the signing ceremony, Xi urged the participating countries to join efforts in making the AIIB an "equal, inclusive and highly efficient infrastructure investment platform," according to the state-run **China** Securities Daily.

ADB President Takehiko Nakao said Thursday that he does not have a stance on South Korea's interest in joining **China's** push for the AIIB but cautioned that the **China**-led bank should meet international standards.

"About the interest of the Korean government joining the AIIB, we don't have any positions," Nakao told reporters during a press briefing at the ADB Resident Mission in Beijing.

"We don't prevent from or encourage member countries to join the AIIB," Nakao said. "It's a decision by the country."

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