

Korea Wins \$40 Bil. UAE Nuclear Deal



President Lee Myung-bak talks with United Arab Emirates (UAE) President Sheikh Khalifa bin Zayed al-Nahayan at the Emirates Palace Hotel in Abu Dhabi, the capital of UAE, Sunday, after Korea won a \$41 billion contract to build nuclear power plants in the Middle East country.

/ Korea Times Photo by Sohn Yong-seok

By Na Jeong-ju
Staff Reporter

A consortium led by the Korea Electric Power Corp. won a \$40 billion contract Sunday to build nuclear power plants in the United Arab Emirates, paving the way for South Korea to become a major energy facility exporter.

It is the largest-ever energy deal awarded in the Middle East, which has sought to replace oil with nuclear power and other alternative energy sources amid falling oil reserves.

Policymakers here called the contract a diplomatic triumph, saying it will help strengthen the country's economic ties with the region, as well as provide a crucial opportunity to boost shares in the fast-growing energy market.

The deal with the Emirates Nuclear Energy Corp. marks the first nuclear technology export for South Korea, which built its first commercial nuclear plant in 1978. Since then, it has constructed 20 reactors nationwide, providing almost 40 percent of the country's electricity needs.

The other consortium members are Hyundai Engineering and Construction, Samsung C&T Corp. and Doosan Heavy Industries.

At a summit with President Sheikh Khalifa bin Zayed al-Nahayan in Abu Dhabi,

President Lee Myung-bak thanked UAE leaders for selecting Korean firms as strategic partners, saying the contract will deepen relations between Korea and the UAE in the economic, culture, security and diplomatic sectors.

Lee made an unscheduled visit to Abu Dhabi, Saturday, to support the Korean firms competing for the project. Lee returns home today.

"The two leaders agreed to foster closer ties in the areas of economy and energy security," a Cheong Wa Dae spokesman said. "They also shared an understanding that the nuclear deal will open a new chapter for Korea-UAE cooperation."

Upon arrival at the airport, Lee held talks with UAE Crown Prince Sheikh Mohammad bin Zayed Al Nahayan over ways to strengthen cooperation.

"It is very meaningful for Korea, a hub of Northeast Asia, to cooperate with the UAE, a hub of the Middle East. I hope there will be more exchanges in culture, the economy, education and diplomacy," Lee said.

The Prince said his country is committed to promoting closer ties with South Korea, according to Cheong Wa Dae.

Korea has localized over 95 percent of the technologies needed to build and operate nuclear power plants.

The UAE is the world's third-largest oil exporter, but it is planning to build a number of such plants to meet soaring energy needs. The Korean-built plants will begin producing electricity in 2017.

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