

S. KOREAN ECONOMY ON RECOVERY TRACK THANKS TO EXPORTS: GOV'T REPORT

The South Korean economy is maintaining its current recovery pace on the back of strong overseas sales, although there are some downside risks, such as North Korea's provocations and ongoing trade issues, according to a government report.

"The South Korean economy is keeping its recovery pace, aided by robust exports in line with the improving global economy," the finance ministry said in its monthly economy assessment report. "For the time being, its recovery pace is expected to continue going forward," it said.

S. KOREA'S BIOTECH INDUSTRY PRODUCTION GREW 4.4 PCT IN 2016

Production in the South Korean biotechnology sector increased 4.4 percent last year compared with the previous year, as medical equipment and services enjoyed greater demand abroad.

A total of 980 biotechnology healthcare companies produced biotech-based products and services worth KRW 8.87 trillion (USD 8.16 billion) in 2016, up 4.4 percent from a year earlier, according to the data compiled by the Ministry of Trade, Industry and Energy (MOTIE).

The data was based on a survey on 980

The report, called the "Green Book," is based on the latest economic indicators of such key factors as output, exports, consumption and corporate investment, which provide clues as to how the economy has been faring in recent months.

South Korea's exports have been on a steep upside cycle since November 2016 led by the spike in global demand.

Exports rose 9.6 percent in November from a year earlier, extending its gain for the 13th consecutive month, buoyed by stellar sales of semiconductors and petrochemical products.

companies by the Korea Biotechnology Industry Organization and Seoul-based Hankook Research.

The ministry said medical equipment and biotech services were the best performing sectors, as local companies stepped up marketing efforts abroad.

Exports of biotech-based products came in at KRW 4.45 trillion (USD 4.07 billion) and imports amounted to KRW 1.46 trillion last year, making a trade surplus of KRW 2.98 trillion.

SEOUL TO SEEK PRE-EMPTIVE, MARKET-CENTERED CORPORATE RESTRUCTURING: FINANCE MINISTER

South Korea will engage in constant, pre-emptive, market-centered corporate restructuring going forward, breaking away from government-spearheaded responses to developments that have been the norm in the past.

"The government will reshape its corporate restructuring paradigm in a way that can prod existing companies to seek innovation and strengthen their competitiveness," Finance Minister Kim Dong-yeon said at an economy-related ministers meeting on Dec. 8.

"A market-centered restructuring approach will be sought after, and the gov-

ernment will set up a fund to facilitate corporate restructuring," he said.

Under the plan, key economy-related agencies and private think tanks will regularly analyze major industrial sectors' business conditions, their competitiveness and risk factors, and based on the results draw up a set of plans, including schemes to revamp businesses.

Also, creditor banks will play a key role in pushing for corporate restructuring with the credit rating assessment of their corporate customers, and a KRW 1 trillion (USD 914 million) fund will be established to facilitate corporate restructuring.

S. KOREA NURTURES 2ND PANGYO TECHNO VALLEY

On Dec. 11, the government said that it will expand a second startup complex near Seoul in a bid to further boost promising local startups and attract foreign companies.

The "2nd Techno Valley" in Pangyo, just south of Seoul, is designed to nurture some 1,400 startups, offering workspace and consulting services for funding at cheap prices, according to the finance ministry.

Pangyo—South Korea's answer to Silicon Valley in the U.S.—is already home to many technology companies.

First launched in 2011, the country's 661,000-square-meter startups complex

supported 70,577 employees in 2015.

The second Pangyo Techno Valley will nestle on a 440,000-square-meter lot with its construction to be finished by 2022.

The government wants the new startups complex to create new value and jobs through innovation, instead of having employees competing against each other over existing jobs.

The number of companies operating at Pangyo Techno Valley reached 1,121 as of the end of 2015, up 119 firms or 11.9 percent on-year.