

Trade News

**FREE TRADE DEALS
BUOY S.KOREAN
EXPORTS**

South Korea's exports to 52 countries with which it has free trade agreements jumped nearly 20 percent in 2017 compared with a year earlier, bolstering its overall shipments..

During the January-November period, deliveries of goods to FTA partner countries climbed 19.6 percent to USD 380.35 billion, accounting for 72.5 percent of the country's exports valued at USD 524.8 billion, according to data from the Korea International Trade Association (KITA).

In the previous year, exports to the same

trading partners accounted for 70.7 percent of total shipments worth USD 350.43 billion.

South Korean exports to China hit USD 128.3 billion in the first 11 months of this year, followed by the United States with USD 63.3 billion, Vietnam's USD 43.7 billion and Australia with USD 19 billion.

Meanwhile, Korea's imports from the 52 countries climbed 15.9 percent to USD 274.4 billion, accounting for 63 percent of its total imports worth USD 434.8 billion in the 11 month period, the latest data said.

**S.KOREA'S
AGRO-FOOD
EXPORTS UP 5.6 PCT
IN 2017**

South Korea's exports of agricultural products and food increased 5.6 percent in 2017 on upbeat sales of fresh fruits and instant noodles, offsetting sluggish poultry sales in the wake of bird flu outbreaks.

South Korea exported USD 6.83 billion worth of agricultural products and food last year, up from USD 6.46 billion in 2016, the Ministry of Agriculture, Food and Rural Affairs said on Jan. 4.

Overseas sales of strawberries and ginseng rose 29 percent and 18.7 percent,

respectively, on strong demand from Southeast Asian nations.

Exports of processed foods advanced 7 percent to USD 5.73 billion as sales of South Korean-made instant noodles jumped 31.2 percent to USD 3.08 billion.

Shipments to Japan, South Korea's biggest food export market, gained 13.4 percent to USD 13.14 million, marking a turn back to growth for the first time in five years.

Government & Policy

**PM PLEDGES ACTIVE
STATE SUPPORT FOR
SMES**

On Jan. 10, Prime Minister Lee Nak-yon pledged to expand state support for small and medium-sized enterprises (SMEs), including implementing financial assistance and deregulation for venture startups and ensuring level playing fields for SMEs and conglomerates.

Lee made the remark during a new year meeting with representatives of the SME industry, calling for SMEs to play a greater role in lifting South Korea's economy in the era of the Fourth Industrial Revolution centered on new innovative technologies.

"The government will expand assistance to SMEs. In particular, we will provide active support for attempts to bring about

new industries and new technologies. The government will create an 'innovation venture fund' with a goal of raising KRW 10 trillion (USD 9.34 billion) to help with risk-taking startups," Lee said.

Lee vowed to ensure that the business environment is fair for SMEs and big businesses and to make sure that conglomerates known as chaebol won't prey on smaller firms.

Lee acknowledged that raising the minimum wage increased the burden on businesses but asked for their understanding, saying that the government can no longer do nothing about low-income workers and the worsening income gap.

**S.KOREAN GOV'T TO
HELP COSMETICS
COMPANIES EXPAND
PRESENCE IN ASEAN
MARKET**

The South Korean government will assist local cosmetics makers in expanding their presence in the Association of Southeast Asian Nations (ASEAN) market.

The Ministry of Food and Drug Safety will expand education programs for local manufacturers, covering topics such as customs procedures and product registration, Minister Ryu Young-jin said.

The remarks were made during a meeting among Ryu, ministry officials and heads of leading cosmetics manufacturers on Jan. 10.

"The ministry will continue to communicate with makeup companies in order to promote sustainable development of the industry," Ryu said.

The outbound shipments of Korean cosmetics products to the 10-member ASEAN market reached USD 406 million in 2016, up from USD 308 million the previous year, according to a report by the Korea Trade-Investment Promotion Agency (KOTRA).

The size of ASEAN's cosmetics market was estimated at USD 7.3 billion in 2016, up 8.8 percent from a year earlier.