The Latest on Korea’s Investment Environment

Merck signs deal with U.S. government on Samsung Bioepis biosimilar

Merck, a global health care company, has won a USD 117 million contract to supply the biosimilar Renflexis, developed by Samsung Bioepis Co., to the U.S. Department of Veterans Affairs, according to industry sources.

Under a 2013 deal, Merck is responsible for commercializing multiple biosimilar candidates in certain partnered territories, while Samsung Bioepis is responsible for preclinical and clinical development, process development and manufacturing, clinical trials and regulatory registration.

Renflexis -- a biosimilar of Janssen Biotech, Inc.’s blockbuster immunology medicine Remicade -- won approval from the U.S. Food and Drug Administration in April 2017.

In 2015, South Korea’s Ministry of Food and Drug Safety approved Renflexis for treatment for rheumatoid arthritis, ankylosing spondylitis, Crohn’s disease, ulcerative colitis, psoriatic arthritis and plaque psoriasis.

Gov’t approves KRW 1.1 tln in-kind investment for Saemangeum developer

The Cabinet approved a KRW 1.1 trillion (USD 972 million) in-kind investment for a state agency in charge of reclaimed land in the southwestern coastal area of Saemangeum to help facilitate infrastructure construction in the area, according to Seoul’s finance ministry.

The Moon Jae-in government has been advocating the development of the Saemangeum area, 280 kilometers south of Seoul, pledging a set of support measures such as an expanded budget for infrastructure construction.

To spur development in the area, the government has vowed to expand the state budget for building major roads linking it to other regions and to support the region’s efforts to host the 2023 World Scout Jamboree.

The Saemangeum area in North Jeolla Province spans 40,200 hectares and is home to the world’s longest seawall, which measures 33.9 kilometers. The seawall was completed in 2010 to attract businesses in a variety of fields, including agriculture and renewable energy.

FDI pledges to S. Korea hit record high through Q3

Government data showed that new foreign direct investment (FDI) pledged to South Korea in the first three quarters of the year reached an all-time high, in line with rising interest in the nation’s high-tech industries and startups in emerging sectors.

South Korea received USD 19.20 billion worth of FDI commitments from January to September, which represents a 41.4 percent spike from a year earlier, according to the Ministry of Trade, Industry and Energy.

The actual investment made by foreign companies over the period reached USD 11.70 billion, jumping 31.9 percent from the previous year, the ministry said.

By sector, the manufacturing industry drew in USD 8.38 billion worth of investment pledges as offshore investors sought joint venture partners in the electronics, machinery equipment and bio sectors. Service industries attracted USD 10.64 billion of new investment from abroad in emerging technology fields, such as e-commerce, cloud computing, mobile platforms and fintech.

What's Trending

S. Korean startup launches beta version of ride-hailing service

South Korean mobility startup VCNC announced it has launched a new ride-hailing service in Seoul and an adjacent city with 11-seat vans in a move to get around a local transportation law.

VCNC said hundreds of its passenger vans offer a service called Tada in Seoul and Incheon, home to South Korea’s main gateway Incheon International Airport, at a price about 20 percent higher than the usual taxi fares.

The company has outsourced drivers for the service, and its vans can carry up to five passengers for their convenience.

Users can get access to the service -- which is being run on a trial basis -- via its mobile application. The company did not provide a specific time frame for officially launching the service.

“Tada is a platform that can create mobility innovation together with the existing industry,” VCNC CEO Park Jae-uk said during a press conference in Seoul.

“We hope to generate new demands for various players in the industry.”

Park said the company’s experience of handling vast quantities of data will enable the new service to find a balance between supply and demand.

The launch of Tada marks VCNC’s first move since it was wholly purchased by SoCar, South Korea’s leading car-sharing service provider, in July.

Launched in 2011, VCNC is the operator of a mobile messenger for couples called Between, which has been downloaded 26 million times globally.

In South Korea, taxi drivers are vocal opponents against mobility services that connect customers with ordinary drivers who do not have commercial taxi licenses.

The country’s passenger transport service act stipulates that “no person who rents a commercial motor vehicle from a car rental business entity, shall use such motor vehicle for transport with compensation or sublet the motor vehicle to any third party, and no person shall arrange such activities.” Vans, however, which have between 11 and 15 seats, are exempt from the act.

Did You Know?

Consumers can now buy FRESH MEATS from a vending machine

The smart vending machine is integrated with IoT technology, which allows its operator to remotely monitor the product quality and expiry date, as well as the control through refrigerator temperature and humidity through a mobile app.

Consumers will be able to purchase different parts of Korean beef as well as Korean pork from the vending machine.

Sources: www.investkorea.org; Yonhap News Agency