

The Latest on Korea's Investment Environment



Visa issuance gets easier for foreign invested companies in Korea

Foreign invested companies doing business in Korea are expected to bring foreigners as executives or managers on board in a much easier way.

The Ministry of Justice (MOJ) announced that the revised company investment and startup visa system would be implemented as of May 1 to boost foreign investment.

An official from the MOJ said, "We expect these measures, aimed at improving conditions for attracting foreign investment and technology startups, will contribute to creating jobs and revitalizing the domestic economy."

E-Land signs USD 260 mln to sell K-Swiss to Chinese firm

South Korean fashion and retail conglomerate E-Land Group said on May 2 that it has signed a USD 260-million deal to sell its subsidiary, K-Swiss, in line with its efforts to improve its financial footing.

E-Land said the deal to sell its sports brand to Chinese fashion sportswear brand Xtep will be completed by August this year. E-Land acquired the U.S. shoemaker K-Swiss in 2013 for some USD 170 million.

Separately, E-Land said it will set up a joint venture with Xtep to do business in China. E-Land will own a 51 percent stake in the JV.

CJ Cheiljedang receives USD 320 mln investment from Bain

CJ Cheiljedang Corp., South Korea's leading food manufacturer, said on May 23 that the U.S. private equity fund Bain Capital has invested USD 320 million into its U.S. unit.

Bain Capital is to acquire a 27 percent

stake in CJ Cheiljedang's wholly owned subsidiary CJ Food America, the affiliate of South Korean food and entertainment conglomerate CJ said in a regulatory filing.

"The cooperation with Bain Capital will not only strengthen competitiveness in the global foods market but also is expected to relieve financial burden," said a company official who asked not to be named.

The investment comes after CJ Food America acquired a 70 percent stake in U.S. frozen foods firm Schwan's Company for around USD 1.84 billion.

The move was aimed at strengthening CJ's food manufacturing and distribution in the United States, as well as at increasing its R&D capabilities, the company said.

Quarzwerke breaks ground for factory in Dangjin

Quarzwerke Group, a German producer of mineral raw materials, is set to build a factory in Dangjin, South Chungcheong Province.

On May 23, Quarzwerke held a ground-breaking ceremony in Dangjin Songsan 2-1 Foreign Investment Zone (FIZ), to commence the construction work of the factory.

The company plans to invest USD 19 million (KRW 20 billion) toward building a factory on a 37,760 sq. meter site for producing industrial mineral materials for electric and electronic materials, plastic, and varnish. The factory is expected to start operation in the latter half of next year.

The local government expects the investment to generate KRW 300 billion in exports, save KRW 100 billion in import substitution, induce KRW 1.06 trillion in production, and generate KRW 750 billion in added value. The factory is also expected to create 70 new jobs when it is up and running.

What's Trending



S. Korean cinema finally embraces Palme d'Or at Cannes

South Korean director Bong Joon-ho grabbed the highest honor at the 72nd Cannes Film Festival on May 25 for his black comedy "Parasite."

It is the first time that a South Korean filmmaker has grabbed the highest honor at Cannes. Bong's achievement marks the sixth time that a Korean film has received one of the main competition awards at the Cannes Film Festival. Im Kwon-taek took the best director award for "Chihwaseon" in 2002, Park Chan-wook earned one twice with "Old Boy" (2004) and "Thirst" (2009) and Lee Chang-dong picked up the best screenplay award with "Poetry" in 2010. Jeon Do-yeon won the best actress award for "Secret Sunshine" in 2007.

"Parasite" finished first in a fierce competition against big-name candidates and Cannes laureates like "Pain and Glory" by Spanish director Pedro Almodovar and "Young Ahmed" by the Belgian filmmaking brothers Jean-Pierre Dardenne and Luc Dardenne.

When his name was called at the very end of the closing ceremony of the Cannes Film Festival, Bong shouted with joy and hugged his colleagues. "I didn't prepare a speech in French, but I'm inspired a lot by French movies," he told the audience via a French-speaking interpreter at the awards ceremony. "Parasite" was an amazing adventure for me." He thanked his staff and cast for their dedication and contribution to completing the masterpiece.

Alejandro Gonzalez Inarritu, the president of the jury, said it was a unanimous decision on "Parasite." In a press conference after the closing ceremony, the Mexican director said, "The film is such a unique experience; it's an unexpected film."

