Invest Korea News

MOTIE AND KOTRA GIVE INVESTMENT PROMOTION PRESENTATION IN SHANGHAI AND BEIJING

The Ministry of Trade, Industry & Energy and the Korea Trade-Investment Promotion Agency (KOTRA), of which Invest Korea is a part, gave presentations in Beijing and Shanghai on August 26 and 27 to seek more investment from Chinese companies. About 450 strategic and financial Chinese investors participated in the presentations, which made for a relatively large-scale event compared to the presentation held in 2012 to commemorate the 20th anniversary of diplomatic ties between Korea and China. A KOTRA official introduced the Korean investment environment and highlighted four potential investment sectors: cultural contents, tourism and real estate, fashion and food distribution.

The presentations were a follow-up to Chinese President Xi Jinping’s visit to Korea last July. Amid a decrease in Korea’s exports to China for three consecutive months, they will serve as a foothold for expanding economic exchanges between the two countries by creating tangible investment results.

KOTRA AND MAHINDRA GROUP HOLD INVESTMENT PROMOTION FORUM IN INDIA

Invest Korea held the India Invest Korea Forum on August 18 in Mumbai, India. The forum was co-hosted by KOTRA and Mahindra Group, an Indian multinational automobile manufacturing corporation that invested USD 71 million in Korea in 2013 and acquired a 72.85 percent share of Korea’s Ssangyong Motor. About 20 companies and organizations participated, including Aditya Birla Group, Essar Group, Videocon and the Automotive Component Manufacturers Association of India.

The forum served as an opportunity to promote bilateral exchange between Korea and India. The consulate general of the Republic of Korea in Mumbai suggested a future policy direction for investment, Indian investors shared about their investment experiences in Korea and KOTRA introduced the investment environment of Korea for foreign companies and provided one-on-one investment consulting.

Foreign Company News

JAPAN’S ITO INVESTS IN PYEONGTAEK TO BUILD LPG STORAGE TANKS

ITO, a leading valve manufacturer in Japan, plans to invest KRW 30 billion (USD 29.6 million) in the Poseung Industrial Complex in Pyeongtaek, Gyeonggi Province.

Gyeonggi Province signed a memorandum of understanding (MOU) with ITO for a joint venture on August 8 in the Poseung Industrial Complex. ITO and Korea’s KPP Co., Ltd. will establish KPP & ITO Co., Ltd. and invest USD 29 million to manufacture LPG storage tanks and create 150 new jobs. Gyeonggi Province will provide 33,000 m² of land close to the KPP head office, which has produced gas valves and vaporizers in Poseung Industrial Complex since 2009. The MOU aims for KPP Co., Ltd. and ITO to dominate the LPG small storage tank market in Japan and Southeast Asia.

BASF KOREA PUBLISHES BASF IN KOREA REPORT 2013

BASF Korea, which in 2002 became the first company in Korea to publish a sustainability report, issued its ninth report on August 13 to introduce its achievements in sustainable management in sectors including management strategy, environment, safety, health and corporate social responsibility in 2013.

In 2013, the total sales of BASF Korea reached KRW 2.741 trillion (a 7.9 percent year-on-year increase) and operating profits reached KRW 136 billion (a 1.5 percent increase). BASF’s Germany headquarters recorded sales of EUR 1.45 billion in the Korean market in 2013.

Last year, BASF Korea completed the construction of a plant in Yeosu that produces ultrason, a high-quality thermoplastic, and began construction of an engineering plastic compounding plant in Yesan. The company established the Asia-Pacific headquarters for its electronic materials business in Seoul and is building an electronic materials research and development center at Sungkyunkwan University.

Government & Policy

MOTIE REFORMS REGULATIONS

The Ministry of Trade, Industry & Energy (MOTIE) has completed half of 32 tasks for regulatory reform, according to the ministry on August 14.

MOTIE is preparing bills for the remaining 16 tasks that need to be legislated. It has organized a task force team for private-public cooperative regulatory reform and also held the first regulatory hearing in April to find and solve irrelevant regulations. The ministry has focused on reforming cumbersome regulations that were addressed at the hearing, including regulations that overlap between government agencies and unrealistic and outdated regulations.

MOTIE will review all of its registered regulations and reduce them by 15 percent by the end of this year. The ministry has selected 108 regulations for reform in various sectors.