Riding the Winds of Daejeon’s Robust Business Climate

Advances in science and technology will turn the dynamic city of Daejeon into a hub for investment opportunities.

Daejeon, a new hub city of Korea, is not only the mecca of science and technology but also home to the largest research and development (R&D) center in Korea. The city is gaining a global reputation for its business-friendly environment and strategic position—in Korea as well as in Northeast Asia, the center of business and technological research.

Daejeon has been selected as a qualified city for investment by JCR, an international credit rating evaluation, 12 consecutive times and has received a credit rating of Aa3 from Moody’s. The city is the right place to invest, with its highly skilled workforce, special grants, recruitment support for new businesses and cutting-edge distribution infrastructure.

Known as the Silicon Valley of Korea, Daejeon is home to Daedok Innopolis, the leading R&D cluster in Korea and one that was founded in 1974. It has 30 government-funded research institutions, 19 universities and about 400 corporate-affiliated research institutes. It accounts for 15 percent of Korea’s total R&D investment and has the R&D centers of Samsung Electronics, LG, the Electronics and Telecommunications Research Institute and the Korea Aerospace Research Institute.

Daejeon has a population exceeding 1.5 million and an annual trade volume of more than USD 7 million. The city is expanding at a rapid pace and its workforce is one of the strongest in Korea. Daejeon produces about 35,000 graduates annually, and 12 percent of its research workforce has doctorates in natural science and engineering. Researchers specialize in sectors including nanofabrication, biotechnology, nuclear fusion, telecommunications, mechanical engineering, fuel cells and robotics.

Also, the relocation of 10 major government ministries and agencies in 1998 helped simplify investment processes.

There are currently 11 national administrative agencies in Daejeon, the city of administration. A cluster of government agencies provides businesses with swift support. It offers one-stop services for the various licensing-related needs of foreign-invested companies as the central administrative body that can provide all kinds of business support.

Daejeon has excellent logistics and business infrastructure, and this is proven by its competitive business environment and number of venture companies. The city also supports startups and small- and medium-sized companies with funds, purchase contracts and technology accreditation.

Daejeon attracts companies with its business-friendly tax system. The city provides tax deductions and exemptions for the first five years of business to high-tech companies, industrial support service providers and exclusively owned foreign companies.

Cash grants support land and equipment purchases, construction, the hiring and training of employees and expenses for the installation of basic facilities. The city helps companies and individuals thrive in an excellent business environment.

As for the residents of Daejeon, they enjoy high quality of life with multilingual medical services, attractions including the O-World Theme Park and outdoor activities at such places as the Yuseong Hot Springs, Daechung Lake and the Daejeon Arts Center. Located in the heart of Korea and at the crossroads of several major transportation routes, Daejeon is also a hub of transportation.

Global technology companies are increasingly drawn to Korea. Microsoft, Google and Samsung Electronics have invested in cities near Daejeon as more businesses seek to take advantage of the city’s abundant science and technology clusters and skilled workforce. Daejeon also offers employment support and a customized human resource program for high school graduates.

Daejeon is poised to lead the future of science and technology in Korea as it takes an innovative approach to businesses, research and technological advancement.

Attracting businesses with bright plans for the future, Daejeon is tomorrow’s hub for investment opportunities.

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