**KOREAN GOVERNMENT TO FURTHER RESOLVE GRIEVANCES FACING FOREIGN-INVESTED COMPANIES**

On February 18, the semi-annual ‘Luncheon Meeting with Foreign-Invested Companies 2016’ was held in Seoul. In attendance were more than 50 participants, including the new head of Invest Korea, the Foreign Investment Ombudsman, foreign investors and government officials.

The event, hosted by Joo Hyung-Hwan, the Minister of Trade, Industry and Energy, further solidified Korea’s pledge to make the country a more business-friendly environment for foreign investors. The Minister also revealed the future direction of the government’s FDI policy for 2016.

**‘KOREA-CHINA FTA BUSINESS PLAZA’ TO MAXIMIZE EFFECTS OF RECENT AGREEMENT**

On February 25, the Ministry of Trade, Industry and Energy (MOTIE) and the Korea Trade-Investment Promotion Agency (KOTRA) held the ‘Korea-China FTA Business Plaza’ to maximize the effects of the recently implemented FTA with China and tackle the issue of sluggish exports. The two-day event, which targeted Korea’s small and medium enterprises looking to enter China’s market, was divided into four sections—consumption goods, parts and materials, economic diplomacy and investment promotion.

Approximately 200 investors from China and 800 companies from Korea participated in the event and engaged in consultations for joint business projects.

**KOREA’S CURRENT ACCOUNT SURPLUS TOPS USD 100 BLN IN 2015**

Korea’s current account surplus exceeded the USD 100 billion mark for the first time in 2015, recording a high of USD 105.96 billion, compared with USD 84.37 billion surplus in the previous year.

The primary income account surplus also widened to USD 5.9 billion in 2015 from a USD 4.15 billion surplus in the previous year.

The goods account continued to remain positive, posting a USD 10.77 billion surplus in December 2015, up from a revised USD 10.47 billion surplus the month before.

**SMBA INVESTS KRW 47 BN IN TIPS PROGRAM**

The Small and Medium Business Administration (SMBA) announced that it will invest KRW 47 billion (USD 37.9 million) in startups participating in the tech incubator program for startup (TIPS). SMBA also plans to find 130 new startups for the TIPS program in 2016.

The technology-oriented manufacturing startups will account for half of the startups taking part in the TIPS program and the participating startups will bear 10 percent of the technology cost.

**PUBLIC FIRMS TO HEAVILY INVEST IN RENEWABLE ENERGY**

Korea’s public companies will invest some KRW 1.5 trillion (USD 1.24 billion) in 2016 and 2017 to fuel the development of the country’s renewable energy sector.

In a meeting with the heads of the country’s leading green energy companies, the Minister of Trade, Industry and Energy said every effort will be made to significantly increase investment going into the renewable energy sectors.

The Minister added the government will allocate some 800 billion won annually to strengthen research and development (R&D), which is critical for sustainable growth. He also pledged to get rid of unnecessary obstacles and restrictions that have held back the country’s renewable energy sector in the past.

**GOVERNMENT & POLICY**

**KOREA SEEKS MORE INVESTMENT TO BOOST EXPORTS**

The Korean government unveiled a set of measures to spur corporate investment in new industries as part of its efforts to bolster plunging exports amid faltering oil prices and waning global demand.

In a meeting chaired by President Park Geun-hye, MOTIE said it will encourage the private sector to invest KRW 44 trillion won (USD 36.4 billion) in the electric vehicle and other technology sectors over the next three years by removing red tape and helping companies tap into new overseas markets. The investment plan is estimated to increase the country’s output by USD 98 billion, boost exports by an additional USD 65 billion and create 415,000 new jobs.

The Ministry of Strategy and Finance also announced a plan to create a business-friendly environment to bolster corporate investment. It will build a corporate research and development cluster of around 300,000 square meters in southern Seoul, ease construction regulations and give visa benefits to help companies focus more on R&D investment.