Korea has the 17th largest food market in the world, worth approximately USD 56.9 billion. That’s huge for the global food industry, which is expected to be worth USD 7 trillion by 2020, and experts predict the Asia-Pacific region to make up 40 percent of the market. In particular, Northeast Asia’s food industry has shown steady annual growth of over 30 percent since 2010.

The growth of the food industry is a high priority for the Korean government. In 2008, the Ministry of Agriculture, Food and Rural Affairs established the first government-supported food industrial complex in Iksan, nicknamed ‘Foodpolis’, as a testament to its dedication to the industry.

Iksan City
The government devoted 2.3 million m² of land in Iksan City in North Jeolla Province to this complex, as well as to universities with food research experience. Generous financial incentives were also provided, as the government has earmarked USD 474 million for the project.

The seaside city of Iksan is also located close to major transportation passages. National highways, including the Honam Expressway, run through the city, while it takes just 68 minutes to Seoul and 27 minutes to Sejong City via the KTX. Three harbors (Gunsan, New Saemangeum and Dangjin Harbor) are located within an hour of Iksan, while four airports are within driving distance.

The city of Iksan, in particular, is strategically close to China and other significant neighboring markets, including Hong Kong and Japan.

Foodpolis
The industrial complex of Foodpolis, also known as “Food Science Park” consists of six zones: the enterprise support facilities zone, a private research zone, a strategic food zone, a foreign investment zone, logistics/distribution zone and the general food zone. A waste treatment facility is also available within the complex.

A number of companies have already been closely eyeing this cluster. Korean companies such as Harim Corp., AZ System, Wonkwang Pharmacy, Joun Health and BTC have signed leases. Six foreign companies have filed paperwork to facilitate a move into Foodpolis, including Hampton Grains of the U.S. and Czech brewer Gold of Prague.

The residential district is also under construction at Foodpolis, and this area will include apartments, schools and commercial properties by 2018. Food-related theme parks and cultural faculties are also underway—the Global Food Theme Park and the Food Museum are just some of the examples of the largescale projects planned for the district.

Benefits & Incentives
Furthermore, government incentives have made the area an appealing investment destination. They include corporate income tax exemption for five years (100 percent for three years, 50 percent for the following two years), 100 percent tax exemption from local taxes for 15 years, tariff exemption on capital goods import for five years and up to 75 percent reduction on land leases for 50 years.

Resident employees from Jelloabukdo are also eligible for a stipend up to KRW 1,000,000 (USD 991) per month for every new employee hired beyond 20 people, while Iksan city employees are eligible for a stipend of up to KRW 500,000 (USD 499) in education and training is also provided every month.

Foodpolis is expected to create 23,000 employment opportunities and an estimated economic value of USD 4 billion for Korea. The area is also expected to increase the value of the overall food industry by creating a more advanced industrial structure and a competitive atmosphere.