Invest KOREA News

IK INTRODUCES ‘CHINA INVESTMENT DESK’ IN MAJOR CITIES IN CHINA

On August 29, Invest KOREA (IK), the national investment promotion arm of the Korea Trade-Investment Promotion Agency (KOTRA), held its 4-day investor relations activities in Chengdu and Tianjin. Government officials and leisure-tourism related companies attended the Chengdu event, while logistics-related companies participated at the event in Tianjin.

At the event, IK also promoted its China Investment Desk (CID), which was established to proactively strengthen the investment infrastructure and activities between the two countries following the Korea-China Free Trade Agreement (FTA).

First launched in Korea and Shanghai, China in 2010, CID has since opened four offices in Beijing, Guangzhou, Qingdao and Dalian.

IK HOLDS LECTURE ON INVESTMENT TRENDS OF KOREAN CONTENT INDUSTRY

On August 12, Invest KOREA held a lecture titled ‘Investment Trends of Chinese Companies in the Korean Content Industry’ at the Invest KOREA Plaza. Cheol-young Kim, Research Fellow from Hyundai Securities, was invited to present on the status of Korea’s content industry, including its growth caused by the rise in Chinese investments since 2014. Chinese investments to Korea have also expanded from the IT and gaming sectors to the country’s entertainment, cosmetics and biotechnological sectors.

According to the lecture, the success of the Korean content industry is attributed to the slowing growth of the traditional manufacturing industries prompting the need for a new growth engine and the advancement of high-quality content following the changing standards of Chinese intellectual property rights.

Korea News

EXPORTS OF HALLYU-RELATED GOODS SURGE

Outbound shipments of food, beauty, fashion and personal care products soared in the first half of the year on the back of the growing popularity of the Korean wave, or hallyu.

According to data compiled by the Korea International Trade Association (KITA), exports of such goods amounted to USD 6.79 billion in the January-June period, up 15.2 percent from a year earlier.

Industry watchers said the growth is attributable to the popularity of Korean products in China and other Asian countries.

The growth was mainly driven by cosmetic products with their exports recording USD 1.81 billion during the first half of the year.

Exports of Korean food products also surged 3.5 percent on-year to reach USD 2.43 billion.

KOREA RANKS 11TH WORLDWIDE IN GDP

Korea ranked 11th worldwide in gross domestic product (GDP) in 2015, with its global standing rising two notches from a year earlier.

According to the data by the World Bank, the country's nominal GDP came to USD 1.38 trillion last year, up from 13th place a year earlier. The rise was attributed mainly to lackluster performances by rival economies, such as Russia and Australia, which were hit by plunging commodity prices.

The United States topped the global GDP list with USD 17.95 trillion last year, trailed by China with USD 10.87 trillion and Japan with USD 4.12 trillion.

The data also showed Korea's per-capita gross national income (GNI) coming in at USD 27,440 last year, or 46th place worldwide, down four notches from the previous year.

Foreign Company News

CHINA’S LEADING DRONE MAKER OPENS FIRST INDOOR DRONE ARENA IN KOREA

China-based Da-Jiang Innovations Science and Technology Co. (DJI), the country’s leading drone manufacturer, built Asia’s first and largest indoor drone flying field in Korea, which is expected to be a test bed for the first of its kind.

The drone flying field, called DJI Arena, was established in Yongin, Gyeonggi Province, a region in close proximity to Seoul.

“Korea is the best place for new attempts for drones, and the nation has growth potential for sports with high tech technology including drones,” says Moon Tae-hyun, head of the Korean operation of DJI. Moon added that the company is considering building an additional flying field in the country after seeing positive reactions to the new indoor arena.

DJI aims to test the growth potential of its new drone business before making inroads into the global drone flying field market.

Government & Policy

KOREA TO REORGANIZE POLICY ON FEZS

The Korean government will revamp its policy on free economic zones (FEZs) to attract more investors and foreign companies.

“FEZs played a role in leading South Korea’s economic development to some extent, but there is still more work to be done,” said Trade Minister Joo Hyung-hwan in a breakfast meeting with local experts and businessmen in Incheon on August 19.

The country has designated eight FEZs across the country since 2003, including ones in Incheon and Busan, while a total of 2,189 companies did business there with 96,000 employees as of 2015.

Joo said the government is working on measures to foster the FEZs to become the country’s leading business areas by cutting red tape and giving more incentives to companies.