

# Invest KOREA

November 2024



## Feature Story

### One-on-One with **Micheal Danagher**

Honorary Ambassador of Foreign Investment Promotion for Korea

Outlook of Korea's Chemical Industry—Opportunities for Sustainable Development and Innovation  
Pangyo 2<sup>nd</sup> Techno Valley, the New Center of Pangyo Known as South Korea's Silicon Valley  
Key Contents of the Amended Korean Commercial Code

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# Economic Trends

*Here's a look at Korea's major economic indicators that provide an overview of the country's recent economic developments.*

## Summary and Assessment\*

- The Korean economy is experiencing limited improvement as the recovery of domestic demand, especially in construction investment, is delayed, despite favorable conditions in exports.
- ICT exports continued strong growth, while manufacturing production steadily recovers from a temporary adjustment.
  - As disruptions in automobile production caused by facility maintenance and wage negotiations ease, both production and shipments are increasing, suggesting that the manufacturing sector is maintaining its recovery trajectory.
- However, amid continued weakness in goods consumption, the recovery of domestic demand is being delayed by the continued slump in construction investment
  - The decline in the value of construction completed continued, and given the accumulated weakness in leading indicators, the slump in construction investment is likely to continue for the time being.
  - Amid the ongoing increase in service consumption, retail sales continue their downward trend due to the high interest rate environment.
- Moreover, external uncertainties are expanding as conflicts in the Middle East region intensify.

\*All growth figures are on a year-on-year basis unless otherwise noted. This document is an English translation of the original Korean version; the Korean version takes precedence in case of any ambiguities or discrepancies.



■ **Economic Activity: The Korean economy is seeing limited improvement, hindered by comparatively weak domestic demand, despite continued high export growth and the easing of automobile production disruptions in July.**

- All-industry production in August (2.3% → 1.1%) slowed due to a contraction in the construction industry, while manufacturing recovered from the previous month's temporary adjustments, rising by 1.2% on a seasonally adjusted month-on-month basis.
  - Amid the slump in construction sector conditions, construction production (-5.2% → -9.0%) saw an expanded decline.
  - Services production (1.7% → 0.9%) saw moderate growth, with a slowdown in information and communication (5.4% → 1.0%) and a shift to negative growth in financial and insurance services (2.7% → -0.3%).
  - Meanwhile, industrial (mining and manufacturing) production (5.2% → 3.8%) maintained strong growth as disruptions in automobile production eased, increasing by 4.1% month-on-month on a seasonally adjusted basis, rebounding from the previous month's decline of -3.9%.
- The recovery trend in manufacturing continued, as seen in the decline of the inventory-to-shipment ratio (115.1% → 110.5%) and the rise in the average capacity utilization rate (71.1% → 74.3%).
  - Shipments (1.5% → 2.6%) improved with gains in both domestic demand (-2.4% → -1.7%) and exports (6.9% → 8.4%).
- While manufacturing production and exports show favorable growth, the recovery of domestic demand continues to lag due to the slump in construction investment.
  - Semiconductors exports and production remained robust, and the manufacturing industry is signaling a recovery as temporary disruptions in automobile production ease.
  - However, the ongoing downturn in construction investment, alongside modest growth in retail sales and services production, underscores the conti-

nued weakness in domestic demand. The business conditions outlook for domestic demand-oriented firms also remained low.

- Given the accumulated weakness in construction orders received, a leading indicator, construction investment is likely to persist as a constraint on domestic demand for the time being.

■ **Consumption: Consumption sluggishness persists, particularly in goods consumption.**

- Goods consumption remained weak, with continued declines across most categories.
  - Retail sales in August (-2.2% → -1.3%) continued to fall, driven by weak performance in most items, including passenger cars (-4.1%), home appliances (-4.4%), communication devices and computers (-14.1%), and apparel (-3.5%).
  - On a seasonally adjusted month-on-month basis, retail sales rose by 1.7%, led by gains in passenger cars (9.2%) and food and beverages (4.3%), partially offsetting the previous month's decline (-2.0%).
- Service consumption sustained its moderate upward trend as the sluggishness in accommodation and food services eased.
  - Accommodation and food services production (-3.3% → 0.0%) stabilized after a period of decline, while production in arts, sports, and recreation-related services (-0.8% → 3.4%) rebounded.
- Meanwhile, the Composite Consumer Sentiment Index (CCSI) in September slipped to 100.0 from the previous month (100.8), largely influenced by economic condition components, such as current (73 → 71) and prospective domestic economic conditions (81 → 79).
- **Equipment Investment: Equipment investment recorded strong growth, primarily driven by transportation equipment; however, amid persistently high interest rates, growth in machinery remained modest.**



- Equipment investment in August (18.7% → 7.8%) rose sharply, driven by base effects and a surge in transport equipment, but the growth in machinery remained modest.

- Equipment investment continued to grow strongly from the previous month as highly volatile transport equipment, including aircrafts, (63.6% → 31.8%) saw a significant increase, supported by the base effect from last August's sharp decline (-14.3%).

- In contrast, machinery, which tends to have relatively low volatility, posted modest growth of 0.5%, with a seasonally adjusted month-on-month decline (-1.2% → -1.0%) for two consecutive months.

- Most leading indicators have adjusted after the previous month's sharp increase, although positive signals have started to emerge in semiconductor-related metrics.

- Transport equipment orders received (62.2% → 4.5%) sharply declined, and transport equipment imports in September (21.3% → -8.0%) shifted to a decrease, suggesting a potential adjustment in future transport equipment growth.

- Domestic machinery orders received in August (31.2% → -2.9%) and machinery imports in September (11.2% → 4.4%) also experienced adjustments.

- However, imports of semiconductor manufacturing equipment (14.7% → 62.1%) rose sharply in September, indicating potential improvement in investment in related sectors.

- **Construction Investment: Construction investment remains sluggish, due to a worsening downturn in the building construction sector, although there are some positive signals emerging in leading indicators.**

- In August, the value of construction completed (constant) fell by 9.0%, a steeper drop than the previous month's 5.2% largely driven by weakness in the building construction sector.

- On a seasonally adjusted month-on-month basis,

the downturn has intensified for four consecutive months.

\*Value of construction completed (seasonally adjusted month-on-month, %): (May) -4.6 → (Jun.) -1.5 → (Jul.) -0.7 → (Aug.) -1.2

- This contraction in construction investment is primarily attributed to the widening decline in the building construction sector (-8.6% → -12.4%), exacerbated by the accumulated weakness in orders received.

- Meanwhile, the civil engineering sector (8.5% → 3.6%) maintained favorable conditions, bolstered by sustained public sector project growth.

- Although the weakness in leading indicators is easing, the cumulative decline in construction orders received since 2023 is likely to ripple through with a time lag, potentially constraining construction investment for some time.

- On a cumulative basis, August's construction orders received (current) increased by 7.1%, indicating a gradual recovery from the contraction in 2023 (-18.5%).

- **Prices: As the deceleration in price increases persists, the consumer price inflation rate slowly sharply, driven by a decline in international oil prices.**

- In September, the headline inflation (1.6%) experienced a notable slowdown, continuing the downward trend from the previous month (2.0%).

- Petroleum product prices (0.1% → -7.6%) declined rapidly, due to base effects and a drop in Dubai crude oil prices, significantly contributing to the deceleration in consumer price inflation.

- The recent intensification of geopolitical tensions in the Middle East has heightened uncertainties surrounding international oil prices.

\*Dubai crude oil price (dollars/barrel): (Jul.) 83.8 → (Aug.) 77.6 → (Sept.) 73.5 → (Oct. 7) 78.1

- The core inflation (2.1% → 2.0%), which represents the underlying trend in price growth, also continued to show a decelerating trend.

## Foreign Direct Investment

### FDI pledges to S. Korea hit fresh record through Q3

Foreign direct investment (FDI) pledges to S. Korea jumped 5.2 percent over the January-September period, data showed on Oct. 2, driven by the robust performance of the manufacturing sector.

S. Korea received USD 25.2 billion in

FDI commitments during the first nine months of 2024, the highest amount since the country began compiling the data in 1962, according to the Ministry of Trade, Industry and Energy.

### German chip materials firm Merck opens new R&D center in S. Korea

German-based tech company Merck on Oct. 10 launched a new research and development (R&D) center for a key semiconductor material for artificial intelligence (AI) chips in S. Korea in a bid to respond quickly to customer needs here.

The Korea Spin-on-Dielectric (SOD) Application Center, located in Anseong, 65 kilometers south of Seoul, is the second of its kind in Asia and part of Merck's global

R&D network and capabilities, according to the company.

The facility will accelerate the development of SOD materials, which are used in semiconductor manufacturing to create insulating layers on wafers.

This new center aims to support the growing demand for advanced memory and logic chips, driven by the expanding role of AI in the semiconductor market.

### Toray Advanced Materials expands production in Gumi

Toray Advanced Materials Korea (TAMK), a subsidiary of Japan's Toray Industries which is a global leader in carbon fiber technology, announced an aggressive expansion of its advanced materials production facilities in Gumi, North Gyeongsang Province.

The company and the S. Korean Ministry of Trade, Industry, and Energy held a groundbreaking ceremony for the new IT film and aramid fiber production plants at

Toray's Gumi facility on Oct. 23.

It plans to invest over USD 100 million in expanding its production capacity for aramid fibers and polyester films, with construction beginning immediately.

Toray Industries has invested around 5 trillion won (USD 3.6 billion) in Korea over the past 60 years, making it the largest investor among Japanese manufacturers in the country.

## Trade & Commerce

### Exports of instant noodles hit fresh high of over USD 1 bln

S. Korea's exports of instant noodle products reached a new high through October, data showed on Nov. 1, driven by the growing popularity of Korean entertainment content overseas.

Exports of instant noodle products surged 30 percent on-year in the January-October period, reaching USD 1 billion, according to data compiled by the Ministry of Agriculture, Food and Rural Affairs. The

10-month tally already surpasses the annual record of USD 952 million for 2023.

By destination, exports to China rose 18.6 percent on-year over the first 10 months of 2024 to USD 206.8 million. Shipments to the United States increased 65 percent to USD 176.5 million, and exports to the Netherlands grew 57.7 percent to USD 76.7 million.

**Korea's exports  
soar 4.6% in Oct.  
on strong chip, auto  
demand**

S. Korean exports rose for the 13th straight month in October as demand for mainstay chips and automobiles was strong.

According to data released by the Ministry of Trade, Industry and Energy on Nov. 1, the country's outbound shipments totaled USD 57.5 billion in October, up 4.6 percent from the same period a year ago.

Ever since turning positive in October 2023, Korea's exports have gained for the

13th month in a row.

Among the 15 major export categories, exports of semiconductors continued to grow for the 12th consecutive month, with October exports up 40.3 percent year-on-year to USD 12.5 billion. Automotive exports, the second largest export category after semiconductors, rose 5.5 percent on year to a monthly record of USD 6.2 billion.

**Industry****Korea's automobile,  
robot industries  
strengthen ties**

The Korea Automobile Manufacturers Association (KAMA) announced on Oct. 25 that it will expand collaboration with the Korea Association of Robot Industry (KAR) to foster convergence between the mobility and robotics sectors.

The two associations aim to help S.

Korean companies improve their competitiveness in the global market through this partnership.

The agreement outlines their commitment to work together on promoting technological integration and supporting new developments.

**Korea opens AI  
research hub in  
Seoul**

S. Korea has opened a research hub for artificial intelligence (AI) technology to support global collaborative research and position itself among the top three global AI leaders.

The Ministry of Science and ICT and the Institute of Information & Communications Technology Planning & Evaluation (IITP) held the inauguration ceremony for the

National AI Research Hub at the Seoul AI Hub on Oct. 28 in Seocho District, southern Seoul.

The Seoul AI Hub, which the city plans to expand to 7,600 square meters by 2025, will host the National AI Research Hub, focusing on AI talent development and extensive industry-academia collaboration.

**Government & Policy****Gov't to designate  
3 cities as nation's  
first 'hydrogen  
complexes'**

On Nov. 1, the government said it will designate three cities as the nation's first hydrogen-specialized complexes and support their growth into hydrogen industry hubs.

The designation comes after the three cities—Donghae and Samcheok of Gangwon

Province and Pohang of North Gyeongsang Province—passed preliminary feasibility surveys to carry out hydrogen cluster projects, the government said following a meeting of the government-led Hydrogen Economy Committee.

**Korea unveils  
a plan for AI  
projects to be  
conducted by  
2030**

S. Korea's Ministry of Trade, Industry and Energy (MOTIE) is set to conduct a slew of research projects for industrial use of artificial intelligence (AI) by 2030 after announcing the package of initiatives on Oct. 11.

MOTIE plans to support the use of AI in R&D design with more than 600 projects by 2030.

The strategy includes developing re-

search design solutions that use AI to analyze patents, papers, and experimental data necessary to come up with guidance for technology development.

The ministry aims to create more than 100 AI solutions by 2030, including those to be used by multiple industries, such as semiconductors and batteries, and 90 tailored to individual companies.





# Outlook of Korea's Chemical Industry— Opportunities for Sustainable Development and Innovation

## Korea's Chemical Industry: Current Status

The chemical industry is an important pillar of the South Korean economy, covering a wide range of processes from raw materials to final products. The chemical industry is divided into several sectors, including petrochemicals, pharmaceuticals, biochemicals, specialty chemicals, plastics, and fertilizers, and is developing to meet the needs of different markets. In particular, steel and plastic materials form the basis of many industries and are sensitive to changes in the global economy. In 2024, the chemicals industry is changing rapidly as it

recovers from the COVID-19 pandemic. The change is being fueled by rising international energy prices, supply chain challenges, and the need to tackle climate change. In this environment, chemical companies are adopting innovative technologies and focusing on developing sustainable products. Digital transformation is also an important trend in the chemical industry. Innovative technologies such as artificial intelligence (AI) and the Internet of Things (IoT) are being introduced into chemical production processes to improve productivity and reduce costs. More specifically, data-driven decision-making and smart factories are helping companies stay competitive.

## Key Sectors of the Chemical Industry and Trends

### Petrochemicals

The petrochemical sector is the backbone of the chemical industry, producing a wide range of chemical products using petroleum and natural gas as raw materials. In 2024, demand for petrochemicals is expected to increase globally along with the recovery of industries such as automotive, electronics, and consumer goods. The increase in demand for petrochemicals is particularly strong in Asia, as Asian countries continue to grow in both the manufacturing and consumer goods markets. In addition, recycling of existing products and sustainable production processes are gaining traction, along with the growing demand for eco-friendly products. The petrochemical sector is continuously innovating to increase productivity and reduce costs, improving processes using advanced catalyst technologies, and conducting research and development to increase energy efficiency.

### Plastics

The plastics sector is expected to continue its positive growth in 2024. More specifically, the demand for eco-friendly plastic products is increasing as consumers and companies become more aware of environmental protection. Consumers are growing more concerned about protecting the environment and prefer biodegradable and recyclable plastic products. The trend has highlighted the need for plastics manufacturers to develop sustainable products, and companies are stepping up research and development on sustainable production methods and recycling technologies to respond to consumer needs. Advances in plastic recycling technology are driving growth in the plastics sector. The introduction of new recycling processes and technologies helped increase the recycling rate of plastics, contributing to protecting the environment. For instance, the introduction of chemical recycling processes opened up the possibility of recycling a wide range of plastic materials.

### Pharmaceuticals and Biochemicals

The pharmaceutical industry is expected to continue



its rapid growth in 2024. Especially since the COVID-19 pandemic, investment and research and development in the life sciences and pharmaceuticals sector have been on the rise. Based on the experience gained from the development of COVID-19 vaccines, the pharmaceutical sector is focusing on developing new vaccines and treatments. The trend has boosted biochemical research, driving the growth of the pharmaceutical industry. Recently, innovative technologies such as gene editing have been introduced, leading to the development of new treatment methods.

## Major Challenges in the Chemical Industry

### Environmental Regulations

Environmental regulations have a significant impact on the chemical industry. Governments are implementing various regulations to protect the environment, posing new challenges for chemical companies. Chemical companies need to work in diverse ways to comply with environmental regulations, which requires them to develop eco-friendly products and improve production processes.

### Fluctuating Raw Material Prices

Fluctuations in raw material prices have a major



impact on the chemical industry. Changes in oil and gas prices have a direct impact on the profitability of the petrochemical sector. Chemical companies need to develop strategies to respond to fluctuations in raw material prices, and efficient production processes can reduce raw material costs.

### Global Competition

Chemical companies around the world are engaged in a fierce competition. Many countries are investing to boost their chemical industry, which poses a challenge to Korean chemical companies. To compete in the global market, Korean chemical companies must continue investing in research and development, and create new opportunities through international cooperation and networking.

By the end of 2024, the Korean chemical industry is expected to show positive growth. With the recovery

of the global economy, the chemical industry is facing various opportunities, especially the growing demand for eco-friendly products and technological innovation. However, sustainable development strategies and technological innovation are essential to respond to challenges such as environmental regulations, fluctuating raw material prices, and global competition. Korea's chemical industry is expected to continue growing in the coming years and stay competitive in the global market.

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*\* The opinions expressed in this article are the author's own and do not reflect the views of KOTRA.*





# Industry Trends

*Invest KOREA provides an overview of Korea's monthly industry trends based on the latest data available from the Ministry of Economy and Finance and the Korea Institute for Industrial Economics and Trade. Figures are subject to change and may be updated for accuracy by the respective organizations.*

## All Industries

South Korea's overall industrial production rose in August 2024, with manufacturing and mining industries and retail sales rebounding and service industries rising for the third consecutive month.

### Monthly Industrial Activity Trends

Subject	All industries	Mining & manufacturing	Service	Retail sales	Capital investment	Construction completed
Monthly Change (%)	1.2	4.1	0.2	1.7	△5.4	△1.2

Mining and manufacturing output rose sharply in August, led by gains in a number of industries, including automotive and semiconductors, which increased after being adjusted in the previous month. Services increased for three straight months, with summer holidays and an increase in foreign tourists boosting fuel, lodging and food, and leisure spending. Retail sales turned positive, with sales of non-durable goods (2.7 percent) and durable goods (1.2 percent) rising amid a decline in semi-durable goods (△0.9 percent). Capital investment fell after surging in the previous month, led by transportation equipment (△15.4 percent). Despite an increase in civil engineering projects (2.4 percent), construction completed fell due to a decline in construction projects (△2.4 percent). The coincident index cyclical change rate fell alongside sliding construction completed and imports, while the leading index cyclical change rate fell due to decreases in term spread and domestic shipments of machinery, but remained above the long-term trend of 100.

The South Korean economy needs to be closely watched as there are potential risks. On the production side, geopolitical risks, such as concerns over the spread of conflict in the Middle East, and uncertainty over elections and economic conditions in major countries remain. On the spending side, small business difficulties and household debt and real estate PF risks are downside risks.

## Trends by Industry

### Automotive

#### Exports Fell for the Second Month as EV Exports Continued Sliding

July exports fell by 4.3 percent from a year ago as hybrid vehicle exports performed well but EV exports slowed. Imports in June decreased by 29.8 percent year-on-year on the back of weakening consumer sentiment and the last year's base effect. Domestic consumption in June saw a decrease of 17.7 percent year-on-year with more consumers delaying purchases and due to last year's base effect. Production continued to decline in June as domestic consumption remained slow and exports fell.

### General machinery

#### Production Continued Falling, while Exports Turned Positive on the Back of Growing Global Infrastructure Investments

In June, production decreased by 3.6 percent year-on-year as domestic shipments increased but exports remained slow. July exports grew by 12.5 percent from a year ago, supported by strong exports to the US and the Middle East. Imports in June continued to decline (-2.4 percent) as downstream industries remained weak.

### Shipbuilding

#### Exports Fell Temporarily, but Production Continued Growing

June production increased by 1 percent from a year ago, but shipments fell by 4.8 percent due to slow exports. July exports declined by 36.2 percent year-on-year due to the last year's base effect and lower shipments. June imports fell by 33.2 percent from a year ago as imports of second-hand vessels slowed. The market condition improved in July as major container carriers saw their profitability improve and placed orders for large container ships.

### Steel

#### Production Continued Falling due to Sluggish Demands and Blast Furnace Renovation, while Exports Fell Less Rapidly

In June, production fell by 10.4 percent year-on-year with the renovation of the Pohang No. 4 blast furnace slashing the capacity utilization rate, industries that use steel such as automotive and construction slowing down, and exports falling. Exports in July decreased by 5.4 percent from a year ago as export unit prices plunged despite improved demands from major buyers such as the US and ASEAN. June imports decreased by 23.6 percent from a year ago as weak domestic consumption slowed imports from major countries.



## Oil refining

### Despite Falling Unit Prices, Exports Grew by 16.7 percent YoY Supported by Volume Expansion

June production increased by 5.7 percent as refining margins improved and the country's major refineries completed their regular maintenance. Exports grew for five months in a row in July, largely thanks to volume expansion.

## Semiconductor

### Semiconductor Exports Remained Strong

Exports reached nearly USD 11.2 billion in July, up 50.4 percent year-on-year and 52.2 percent year-on-year in the first half of the year. In June, the semiconductor production index grew by 26.9 percent year-on-year to 173.9, continuing a strong upward trend. On a monthly basis, the index grew by 8.1 percent to increase more rapidly from the previous month.

## Wireless communication devices

### Global Smartphone Market Recovery in Full Swing, with Exports up 53.6 percent YoY in July

Exports have been on an upward trend since Q2, driven by the arrival of the new product replacement cycle and rising unit prices of smartphone parts. Compared to the same period of the previous year, production grew by 9.9 percent, exports were down by 0.1 percent, inventories increased by 12.5 percent, but capacity utilization rate increased by 11.7 percent in June. In the same month, imports were down 0.4 percent, driven by a sharp decline in smartphone imports while those of smartphone components surged.

## Display

### The Effect of New Product Launches Continued, but Exports Growth Slowed Compared to Last Year's Strong Performance

In June, production increased by 6.9 percent year-on-year and the capacity utilization rate gained 8.1 percent due to the effects of new product launches and new demands for OLED products. In July, exports saw a year-on-year increase of 2.4 percent as the effect of new IT product launches continued and the Paris 2024 Olympics boosted exports of TV panels.

*\* Please note that the latest data available in Statistics Korea are for the previous month in the case of exports and the month prior to the previous one for production.*

Source: Ministry of Economy and Finance (moef.go.kr), Korea Institute for Industrial Economics and Trade (kiet.re.kr)



# Invest KOREA Market Place

Invest KOREA Market Place (IKMP) is an online business matching platform available on Invest KOREA's website with information on approximately 300 Korean companies seeking to partner with foreign investors. This month, we introduce some outstanding companies in Korea's chemical industry.

## COMPANY A



Highly Sterilized Metal Powder (S10-S20)



CS10 Ceramic Ball

Investment Requirement		Company Profile	
<b>Amount</b>	USD 8 million	<b>Patents and Certificates</b>	Registered or applied for 13 patents for iron and copper alloys with high thermal conductivity and their manufacturing methods, and iron alloys with antimicrobial properties and their manufacturing methods, etc.
<b>Investment Structure</b>	Equity Investment, M&A	<b>Financial Performance</b>	Substantial sales expected to occur from 2024

### Investment Highlights

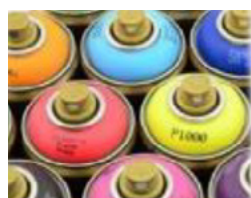
#### • Global & domestic antifouling paint market

The International Maritime Organization continues to strengthen regulations on copper oxide, a representative antifouling paint, as the issue of marine environmental pollution has emerged seriously. Various global antifouling paint companies are actively looking for alternatives to copper oxide, with many of them currently researching and developing antifouling paints containing S10, which is a multifunctional new material that can resolve issues with troublesome harmful bacteria such as germs, bacteria, green algae, red tide, and mold.

#### • Supplying high corrosion resistant high sterilization alloys worldwide to improve the marine and water environment

There are about 790 golf courses in Korea and about 38,800 golf courses in the world, and the problem of green algae in golf hazards is still an unresolved problem. CS10 ceramic balls, which are sintered with a trace amount of S10 special alloy powder into highly adsorbent yellow soil, demonstrate remarkable long-term capabilities to maintain clean water quality, preventing algae, mold, and bacterial propagation. Engaging closely with relevant industries, the company is conducting efficacy verification for pesticide-free crop cultivation and reducing mortality rates in fry aquaculture. It aims to address the water supply issue in Africa through additional verification based on the Ministry of Environment's drinking water testing standards.

## COMPANY B



(DME applications)  
Industrial use such as paint, lacquer



(DME applications)  
Establishment of smart farm

Investment Requirement		Company Profile	
<b>Amount</b>	10 million USD	<b>Patents and Certificates</b>	- Registered 10 patents, including DME Tri-gen system - 4 trademarks, 2 designs, 7 patents pending
<b>Investment Structure</b>	Equity Investment, Joint Venture	<b>Financial Performance</b>	(Sales in 2023) - USD 13.66 million

### Investment Highlights

#### • Bio-based DME market

The dimethyl ether (DME) market is expected to grow at a compound annual growth rate of over 9.5% until 2029. The market size is projected to exceed USD 10.23 billion by 2029 from USD 5.4 billion in 2022. The Asia Pacific region is expected to account for 73% of the total market. DME, which is non-toxic and environmentally friendly, can be used as an alternative to conventional Freon gases (CFCs), the main culprits of ozone layer depletion. By producing DME using CO<sub>2</sub> as a raw material, greenhouse gas reduction and energy issues can be simultaneously addressed. Additionally, unlike fossil fuels, DME possesses characteristics of synthetic fuels and is suitable as fuel for fuel cells since it contains no sulfur.

#### • The only CCU company in Korea that produces methanol and DME

Currently, the company is working on a project to produce methanol and DME from CO<sub>2</sub> emitted from cement factories as a national project, and based on this, it is constructing a commercialized plant, exporting technology, and selling products. It is currently conducting pilot-scale verification of the first domestic commercial grade CCU methanol production process. It plans to increase revenue through synthetic gas manufacturing technology and turquoise technology with the goal of an IPO.

# Gwangyang Bay Area Free Economic Zone: Emerging as an Economic Hub for Future Industries and Marine Tourism

The Gwangyang Bay Area Free Economic Zone Authority (GFEZ) marks its 20th anniversary with the ambitious vision of becoming an "Economic Hub for Future Industries and Marine Tourism." By 2030, GFEZ aims to attract investments worth KRW 40 trillion, bring in 750 companies, and create 80,000 jobs.

Currently, the Gwangyang Bay Area spans 57 square kilometers across Yeosu, Suncheon, and Gwangyang in Jeollanam-do, as well as Hadong in Gyeongsangnam-do. The region comprises six zones and 17 industrial complexes. Through strategic development and investment promotion, GFEZ has successfully attracted 473 companies, securing investments totaling KRW 25.8 trillion and generating 51,000 jobs.

Prominent among these industrial complexes are Yulchon Industrial Complex 1 and Daesong Industrial Complex, which have become home to global leaders in the secondary battery industry, including POSCO Future M. This concentration of industry giants has positioned Gwangyang Bay as a premier secondary battery cluster in Asia, fostering a comprehensive battery lifecycle ecosystem.

Notably, the seven key industrial complexes, including Yulchon No. 1 Industrial Complex and Daesong Industrial Complex, span a total area of nearly 25 million square meters. Of this, 7.5 million square meters of industrial land have already been developed, with further development being expedited. Infrastructure enhancements, including the modernization of the main water reservoir and the construction of arterial roads, are set to further strengthen the competitiveness of these industrial complexes. Concurrently, the residential environment is being improved with the expansion of housing areas like the Shindae Residential Complex and Seonwol High Park, which will offer an additional 7,000 units.

Focusing on functional chemistry, secondary batteries and hydrogen industries, metals and materials, and logistics and transportation, GFEZ aims to attract and nurture companies within these core sectors. To achieve this, GFEZ has established four key strategies: expanding the attraction of advanced and core strategic industries, providing industrial sites that meet demand, constructing a global marine tourism and residential city, and supporting the innovative growth of resident companies.

With its vision to emerge as an "Economic Hub for Future Industries and Marine Tourism," GFEZ is poised to transform the Gwangyang Bay Area into a global economic powerhouse. This transformation will ensure that Gwangyang Bay is not just an industrial center but also a leader in innovation and sustainable growth on the global stage.

Source: The Gwangyang Bay Area Free Economic Zone Authority (GFEZ)



A portrait of Micheal Danagher, a middle-aged man with short, graying hair, wearing a dark suit, a light-colored checkered shirt, and a striped tie. He is looking directly at the camera with a slight smile. In the background, a portion of the Canadian flag is visible on the left, and a dark gray background is on the right.

# One-on-One with **Micheal Danagher**

*Invest KOREA talks to Micheal Danagher, Honorary Ambassador of Foreign Investment Promotion for Korea, to hear about his career experience and why Korea is a great place to do business.*



**N**ewly appointed as Honorary Ambassador of Foreign Investment Promotion for Korea, Micheal Danagher has an extensive career in Canada's foreign service, and served as the Ambassador of Canada to the Republic of Korea from 2018 to 2021. Based on his rich experience and knowledge of Canada-Korea relations, he is also a member of the steering committee at the Canada-Korea Forum. Read on to find out more about his career experience and the advantages he thinks Korea offers for foreign investors.

### How did you become interested in Korea?

During my career, I served on three separate occasions in Seoul, as part of the Canadian Embassy. More specifically, for much of this time I served as a trade commissioner and played a role in matching Canadian companies with opportunities in Korea. I was the first Canadian diplomat to study Korean full-time, and I used to be fairly fluent. Not so much anymore, but I still understand most of what is spoken to me!

### What about Korea's economy/culture/history appeals to you the most?

There are many aspects of Korea that I admire. The people work hard, but are usually cheerful and kind. Personal relations matter a lot in Korea, and we have made many life-time friends. As a lover of sports, I also like Korea as a country with a vibrant culture of athletics, and, as a Canadian, I like Korea's four-season climate, especially the spring and the autumn.

### Are Canadian companies interested in investing in Korea? What sort of opportunities/sectors are they most interested in?

Investment is an area where the two countries have considerable potential. Korean companies have a long history of investment in Canada—partly as a key entry point to the NAFTA market, but also out of interest in Canada's profile as a major resource base and a part of secure supply chains. Canadian investment in Korea has been lower profile, historically. Canada is one of the top 10 sources of

outgoing FDI in the world, but have been concentrated in the finance and extractive sectors, and geographically in the United States and in Europe. This has resulted in a relatively smaller profile for Canadian investment in countries like Korea.

This should change. For one, Korea has become a far more welcoming environment for incoming investment. Korea has a business environment which combines a sophisticated strategic approach, with sectoral policies based on consultation with its business communities, and ranks 6th in the Global Innovation Index. That lends itself well to matching opportunities with investors, with a "one stop" approach which is among the most attractive in the Indo-Pacific region. Of course, this will also be supported by the good reputation which Canada, and its companies, has in Korea.

Korea's priority sectors represent real matches for Canada's capabilities, with significant overlap with Canada's own sectoral strategies and strengths. Sectors such as batteries and fuel cells, biopharma (especially vaccines), manufacturing and renewable energy all represent opportunities. Korea's biggest asset is its people, with a well-educated and globalized workforce.

Korea also offers Canadian companies a stable platform to access regional and global markets, and to partner with some of the most globalized companies in the world. Korea has diverse and global trading ties, and its network of 21 FTAs (with 59 countries) is one of the largest of any country in its region. Korean companies are also among the largest investors in many Indo-Pacific countries, potential partners for Canadian companies looking to expand into these emerging markets.

### What advice would you give these investors/companies from your country seeking to do business in Korea?

While Korea has many advantages, the business culture is rapidly evolving and can often be difficult to understand. While English is much more widely used than before, Korea is home of a unique culture, which should be understood, at least to be able to leverage its assets. A little interest in the culture, the language and the people will go a long way. Korean workers perform well in times of chal-

lenges, willing to commit long hours and energy in a group setting. But there is also a growing understanding of work-life balance, and the distractions that a rapidly changing social environment can produce.

### How can Korea be a more ideal country for Canadian companies?

This is a difficult question, since I don't expect any country to "be a more ideal country" for Canadian investors! I think Korea has a lot to offer, as I have already described. But it is fair to say that some of the comments I received from Canadian investors were around the ease of immigration approvals, the availability of some support services, and some of the regulatory environment. I believe Korea is now making progress in these directions.

### In what ways do you think Canadian and Korean companies can work together to deepen their economic relationship?

For Canada, Korea has been an important commercial partner in the Indo-Pacific—the first partner in the region with which we had a free trade agreement (CKFTA), in 2014. In 2022, both countries also issued their own Indo-Pacific Strategies—with significant commonalities in viewpoint and approach—and upgraded our bilateral ties to a Comprehensive and Strategic Relationship. Promoting

commerce is central in all of these. The Canada/Korea Science and Technology Agreement (2016) directly supports joint research in sectors of mutual strategic interest. Other bilateral initiatives, such as in defense industry cooperation, will create additional focus in specific areas.

Personally, I think more promotion and more resources will help cement the relationship. I also look to the leadership of both countries' private sector. The FKI and the Business Council of Canada, for example, have a regular CEO Dialogue, designed to look at areas of mutual priority and interest.

### What would you like to accomplish in your time as Honorary Ambassador for Foreign Investment Promotion for Korea?

I would like to see an increase of Canadian investment in Korea. This will bring an extra element to the Canadian commercial relationship with Korea, already strong on many measures. These investments will help Canadian companies succeed in the Indo-Pacific, which is increasingly the global center of business.

*By Grace Park*

*Investment PR Team, Invest KOREA*

*Korea Trade-Investment Promotion Agency (KOTRA)*





# Pangyo 2<sup>nd</sup> Techno Valley, the New Center of Pangyo Known as South Korea's Silicon Valley

The high-tech urban industrial complex in Pangyo 2<sup>nd</sup> Techno Valley was designated in November 2015 for the purpose of creating an ecosystem for startups and innovation by forming an innovation cluster that bring together high-tech industries such as information and communication and knowledge and cultural industries.

Including Complex 1, which is not designated as an industrial complex, the number of companies operating in Complexes 1 and 2 total 1,622, with more than 86% being small and medium-sized enterprises. The number of employees is estimated to be around 79,000. The total sales reached KRW 167.7 trillion in 2022, with 1,194 companies operating in Pangyo 1st Techno Valley recording sales of KRW 157.5 trillion. Pangyo 2nd Techno Valley is home to 428 companies, most of which are SMEs. In 2023, the total sales of the second Techno Valley are expected to reach KRW 10.2 trillion, which is less than 10% of the total sales of the two Techno Valleys, but the growth is explosive considering it grew by as much as 828% from KRW 1.1 trillion in 2021, and more companies are moving in.

## Pangyo 2<sup>nd</sup> Techno Valley

• **Location:** 293-1 Geumto-dong, Sujeong-gu, Seongnam, Gyeonggi

• **Area**

(Unit: 1,000 m<sup>2</sup>)

Total Area	Industrial Area	Green Area	Commercial Area	Residential Area
430	286	15	48	81

IT companies and game developers such as NCSoft and Smilegate account for 65% of companies operating in Pangyo Techno Valley, while BT companies (14%) and companies in the CT industry (10%) are also located there. The 2nd Techno Valley, which is about to be completed, is home to a variety of high-tech companies, and many more are expected to move in and boost the complex's overall sales. Based on these dynamics, the government is working toward designating a third Techno Valley in the area and attracting anchor companies. These anchor companies will be selected in December, and the developers will be selected in the same month to begin construction next year (completion is scheduled for 2029).

Gyeonggi-do and the Gyeonggido Business & Science Accelerator are offering various support pro-

grams such as rental deposit support, Technology Doctor Program, and My Data Program, which are playing a vital role in helping tenants of Pangyo Techno Valley to make their technologies more competitive and succeed in the global market.

As the same time, local governments and management authorities need to take active measures as the area is suffering severe traffic congestion during rush hour, and some companies are postponing their relocation due to lack of amenities, living infrastructure, and safety.

Nevertheless, Pangyo Techno Valley is expected to grow fast considering that its proximity to Seoul and the well-developed network of research institutes, leading companies, and universities will surely attract companies committed to R&D.

Source: (Text/photo) Korea Industrial Complex Corporation / Pangyo Techno Valley



# Key Contents of the Amended Korean Commercial Code

## I. Amended Korean Commercial Code (Effective from 2025)

The proposed amendment to the Korean Commercial Code (the “KCC”), whose main agendas include abolishing the branch office registry system, simplifying the registration process for head office relocations, and improving the registration system for foreign companies, will take effect as of January 31, 2025 (the “Amendment”). The key contents of the Amendment are summarized below.

## II. Abolishment of Branch Office Registry System

Under the current KCC, companies are required to manage their registries separately by distinguishing between the head office and the branch office. Additionally, the current KCC stipulates that the branch office registry should, in principle, register not only the matters unique to the branch office but also the matters to be registered in the head office’s (Articles 35, 181, etc. of the KCC).

Various issues had been raised regarding the branch office registry system: (i) since the applicant for registration must process the branch office registration separately, the management and fee burdens increase accordingly; (ii) if a company registers a certain matter only in the head office registry and neglects to do so in the branch office registry, there is a possibility of inconsistency between the registrations for the head office and the branch office, undermining the reliability of the registration; and (iii) matters registered for the branch office can generally be confirmed through the head office registry, and thus, there is no practical benefit of having a separate branch office registry in addition to the head office registry.

Article 35 of the KCC (which provides for the branch office registry system) as well as relevant provisions are either deleted or amended in order to address the above issues. Accordingly, the regulations requiring registration for branch office, including the registration of branch office establishment and various material corporate decisions (e.g., appointment of manager, dissolution, liquidation, merger, and reorganization), have been abolished.

## III. Simplification of Registration Process for Head Office Relocations

Under the current KCC, if a company relocates its head office, it is required to close the registry of the head office’s former location and open a registry for the head office’s new location. However, this process makes it difficult to verify past records in the registry of the head office’s former location, thereby undermining the continuity of registration for the same company before and after the relocation of its head office. Even from a practical perspective, it was inconvenient to check

the company's past registration records, as one had to access the closed registry of the head office's former location.

In order to address the above issues, the Amendment allows companies that have relocated their head office to choose between the former location and the new location of the head office to register only the changes to the former registry record. This approach simplifies the relevant registration process while maintaining continuity in the registration records.

#### IV. Improvement of Registration System for Foreign Companies

With respect to the registration of foreign companies, the current KCC provides that if a foreign company establishes a business office in order to conduct business in Korea, the foreign company should file the same registration as required for a branch office of a company of the same kind or of the most similar kind incorporated in Korea (Article 614(2) of the KCC). Also, it provides that the law under which the foreign company was incorporated and the name and address of its representative in Korea should be registered (Article 614(3) of the KCC). However, there is no provision on the specific matters to be registered or the time of registration.

Article 614(2), as amended, requires a foreign company establishing its business office to register the purpose, trade name, personal information of the representative, joint representative regulations, the location of the head office and the business office, the term of existence of the company or the grounds for dissolution, and the method of public notice at the location of the business place within three weeks from the date of establishment. As such, it sets forth the matters to be registered and the specific registration process of a foreign company. Also, new Article 614-2 has been added to provide for the registration process related to the relocation and change of the business place of a foreign company. The Amendment on the registration system for foreign companies is anticipated to significantly reduce the uncertainties present in the existing provisions on foreign company registration.

#### V. Digitalization of Registration Application

Along with the Amendment, the Commercial Registration Act has been amended. While a person intending to apply for registration had to visit the registry office in the past, it is now possible to file an application using a mobile device application (Article 24(1)2 of the proposed amendment to the Commercial Registration Act). Consequently, the registration practices and processes of companies have been simplified.

*By Ji-Pyoung Kim (Attorney)  
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Seung-Hwan Cheong (Attorney)  
Seung-Dong Baek (Attorney)*

**Kim & Chang**

*\* The opinions expressed in this article are the author's own and do not reflect the views of KOTRA.*





# Korea Deep Learning Inc.

## Driving Innovation with AI

### About the Company

Founded in 2019, Korea Deep Learning is leading digital transformation in various industries with its unique AI solutions, such as Deep OCR, Deep Image, and TT3. Currently, the company's 33 AI specialists are working to provide innovative AI technologies to public institutions and large enterprises with the objective of adding more than fifty major customers. With its revenue growing at an annual rate of 336%, the company is rapidly expanding its presence in the global market.

### Background

Traditional data processing methods require too much time and manpower in increasingly complex industrial environments. Korea Deep Learning has developed Deep OCR, Deep Image, and TT3 with AI technology to analyze unstructured data and large-scale images. These solutions meet the needs of different industries and have been recognized for their outstanding performance, especially in post offices by processing more than one million unstructured documents and significantly reducing manpower and time.

### About the Product

#### Deep OCR

Korea Deep Learning's Deep OCR solution recognizes documents with a high accuracy rate of 99% and a processing speed of less than 0.2 seconds. The solution has won the trust of public organizations and large enterprises and proven its superior performance by processing over one million unstructured documents. It overcomes the limitations of existing OCR technology, accurately recognizes documents in a variety of environments, and is used by the Public Procurement Service, hospitals, and financial institutions.

#### Deep Image

Deep Image is an AI-based image analysis solution that supports real-time video and image recognition, object analysis, motion recognition, and more. It automates image data analysis by applying the latest AI technologies such as ResNet and latent diffusion, and has been recognized for its excellent performance by Korea's major public institutions, such as the Ministry of Science and ICT. It contributes to maximizing productivity in various industries by enabling real-time analysis.



### Text-to-3D (TT3)

TT3 is a generative AI solution that automatically creates high-quality 3D models using only text input. It reduces the time and cost of traditional 3D modeling by over 88% and is easy to use even for non-experts. TT3 is revolutionizing the production of 3D game content and will play an important role in the global 3D content market, which is expected to grow to USD 9 billion in the coming years.

### Competitive Edge and Business Strategy

Korea Deep Learning has built a streamlined AI solution based on ML Ops with talents from Qualcomm, LG, and KAIST. Their efforts have reduced the speed of AI model development, testing, and deployment by more than 30%. With the company's solutions, customers can readily apply AI solutions and respond more flexibly and quickly to rapidly changing business environments. Most notably, Korea Deep Learning's solution supports real-time data processing and automated operational processes, helping companies efficiently handle complex tasks and stay competitive.

Korea Deep Learning works with more than 50 public agencies and large enterprises to deliver custom AI solutions, maximizing the accuracy and speed of data processing across a wide range of industries. Its subscription service model lowers the initial cost of adoption and gives customers the flexibility to scale its solutions to meet their needs as they work to respond quickly to change and achieve their business goals.

### Future Plans

Korea Deep Learning is setting specific performance goals to widely promote its AI solutions and expand its markets at home and abroad. In Korea, the company aims increase the number of public institutions and large enterprises that use its Deep OCR and Deep Image solutions by more than 50% by 2025. The objective is to lead the demand for AI-based data processing and analysis in the financial, medical, and logistics industries. Korea Deep Learning's plan is to increase revenues by 20% and work closely with more customers.



In the global market, Korea Deep Learning plans to increase the share of its overseas sales to more than 40% by 2026, mainly in the US and Europe, and provide locally customized solutions by partnering with global companies. More specifically, the company aims to increase competitiveness in the 3D content creation market with its Text-to-3D (TT3) solution capable of reducing 3D content creation time by 88% compared to existing solutions. Based on these efforts, Korea Deep Learning seeks to achieve global sales of USD 118 million by 2028 and be acknowledged as a leader in AI solutions.

Korea Deep Learning also plans to swiftly commercialize its AI technology to increase the number of customers to more than 100 by 2024 and continuously expand the market share of its AI solutions at home and abroad.

**By Ji Hyun Kim**

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Korea Deep Learning Inc.

*\* The opinions expressed in this article are the author's own and do not reflect the views of KOTRA.*

# What are the differences between an individual business and a corporation?

*Every month, Invest KOREA provides answers to some frequently asked questions submitted by foreign-invested companies in Korea and potential investors.*

## **Differences in terms of nature of business**

- (1) An individual business: An individual engages in business under his/her name and has full ownership of the business as well as unlimited liability for business debts.
- (2) A corporation: A corporation is an entity completely different from individuals, and its operation is run by the representative director under the name of the corporation. A corporation limits its liability and guarantee to the amount of its assets and the representative director, directors and shareholders that are the members of the corporation are not liable to its debts.

## **Differences in terms of establishment procedures**

- (1) An individual business: An individual business can carry out business after notifying foreign investment and receiving a certificate of business registration from the competent tax office, without additional procedures.
- (2) A corporation: A corporation is required to undergo incorporation procedures (incorporation registration, business registration) and the process may take around two more weeks due to document preparations and procedural matters for registration.

## Individual Business vs. Corporate Business

Total Area	Individual Business	Corporate Business
Applicable laws	Income Tax Act	Corporate Tax Act
Taxable income	Income tax is imposed only on the types of income listed in the Income Tax Act	Income tax is imposed on the entire amount of an increase in net assets in the relevant business year
Obligation of tax payment	Tax owed for only for the income in the relevant year	Tax owed for business income and liquidated income of each business year
Tax rates	6-45%*	9-24%
Fiscal year	The taxable period is determined so that tax on income earned from January 1 to December 31 of each year can be paid pursuant to the Income Tax Act	The business year can be decided arbitrarily by the articles of association
Obligation of bookkeeping	Only individual businesses of a certain size or larger are obligated to prepare financial statements	Every corporation is obligated to prepare financial statements
Subject of rights and obligations	The owner of an individual business is the subject of all and any of the rights and obligations related to the profit-generating activities of the individual business. The business can be attributed to the owner's income, but the owner becomes a directly involved party to a default, etc. and assumes unlimited liability	The responsibility of investors is limited to the amount of their investment except otherwise prescribed in the Commercial Act
Use of property	Profits earned from business belong to the business owner as an individual	Profits earned from business primarily belong to the corporation.

\* If the tax base is not high according to the tax rate table, an individual business has an advantage in tax payment, but if the taxable income is above a certain threshold, a corporate business is at an advantage. An individual business may save taxes if it transitions to a corporation.

*For further inquiries, please contact the Investment Consulting Center*

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# Priority Zones for Foreign-Invested Companies: Free Trade Zone

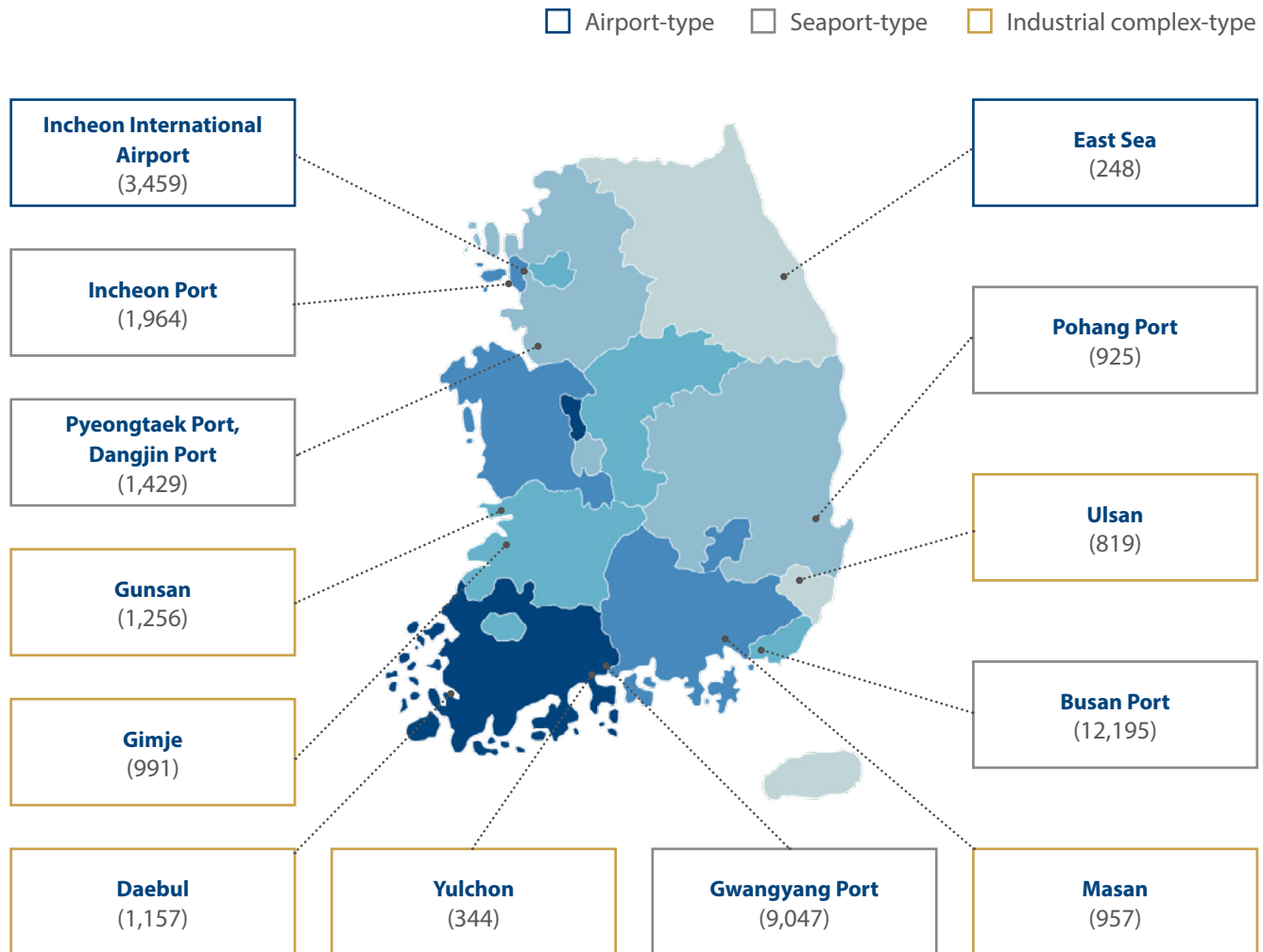
*A free trade zone is a special region in which free manufacture, logistics, distribution and trade activities are guaranteed, and various benefits such as tax and rent reduction/exemption and facility support are provided for foreign investment pursuant to relevant laws. In particular, because tariff is deferred in the areas, it has the optimal conditions for import/export activities.*

## Overview of Free Trade Zones



\*Source: Study on the reinforcement of special economic zones for attracting foreign direct investment, Korea Institute for Industrial Economics and Trade, 2013

## Free Trade Zones in the Country



### IN DETAIL

Tenancy is permitted to foreign-invested companies, manufacturing and knowledge-based businesses, companies reshoring to Korea, companies in import and export wholesale whose portion of export among sales was 50% or more for one year or longer during the three preceding years. In addition, companies providing service such as loading, unloading and transportation and public organizations are eligible to move in.

\*Related law: Article 10 of the Act on Designation and Management of Free Trade Zones

*For further inquiries, please contact the Investment Consulting Center*

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# KOREA Unique Venue

## Discover the unique beauty of diverse regions throughout Korea

Every month, in cooperation with the Korea Tourism Industry (KTO), Invest KOREA features one unique region in Korea as an ideal venue for corporate meetings, international conventions, and incentive travels. Read on to find out more on the KTO's Korea Unique Venue initiatives and plan your next visit to Korea!

### What is KOREA UNIQUE VENUE?

The MICE industry is celebrated as the "golden industry without limits" of the 4th Industrial Revolution Era. With the growth of this industry, MICE venues are increasing in variety. Nowadays, corporations and institutions, which have preferred large scale convention centers in the past, are increasingly seeking out special places and experiences, or "unique venues" that showcase traditional local cultures and regional characteristics.

The Korea Tourism Organization regularly selects and promotes such unique venues that can be found all throughout the country—places with a distinct Korean charm that captivate its visitors. After various studies and evaluations on the suitability of the purpose, scale, and size of various events and meetings, the KTO has selected 39 of Korea's unique venues to fit your various needs.

These 39 "KOREA Unique Venues," which demonstrate the special characteristics of its respective region, are bound to add color to your events and provide visitors with experiences and memories beyond expectations. Korea's doors are wide open for you to experience the country's culture and beauty to their fullest.

### Incentives for Organizers

#### ❖ Subjects of incentive support for international meetings (event hosting/global PR and event hosting support)

##### Common Conditions:

1. Meetings hosted by international organizations or members of the international organizations, or legal entities & groups which are part of international organizations that fulfill ALL of the following conditions.
  - Foreigners from at least 5 or more countries shall participate in the meetings.
  - Total number of meetings participants shall be at least 300 or more and foreign participants shall be at least 100 or more.
  - The duration of the meetings shall be at least 3 days or longer.
2. Meetings hosted by legal entities & groups which are not a part of international organizations that fulfill ALL of the following conditions.
  - Among the meeting participants, total number of foreign participants shall be at least 150 or more.
  - The duration of the meetings shall be at least 2 days or longer.

#### ❖ Subjects of incentive support for corporate meetings/incentive tours

##### Common Conditions:

1. Visitors should stay in Korea for at least 2 days or longer.
  - \* "NOT" applicable for hobby clubs, fan clubs, religious organizations, government officials' groups, and/or student groups.
2. Among the participants, total number of foreign participants shall be at least 10 or more.

##### ❖ Additional Conditions:

1. Incentive Tour: Incentive Tour Groups (as performance awards), with sponsoring corporations paying for all of tour related expenses for visiting Korea.
2. Corporate meetings: Groups of people who are visiting Korea for meetings hosted by specific corporations for the express purpose of meetings or travels
  - \* Meetings with at least 4 hours or longer shall be included in the official schedule.

For further details, please visit the K-MICE website at <https://k-mice.visitkorea.or.kr>.



K-MICE



KOREA UNIQUE  
VENUE





GYEONGGI-DO

## Gwangmyeong Cave

Gwangmyeong Cave is a Cave Theme Park, an abandoned mine transformed into a tourist attraction. It is a space for new culture creation by combining a distinctively unique space – cave, with various arts & cultural contents. Aside from its exotic spaces located inside of the cave, Gwangmyeong Cave has the Light Plaza, an outdoor space where the tallest media tower in Korea is installed, where large scale events can be held.



### Venue & Rental Information

- Address: 142 Gahak-Ro 85 beon-gil, Gwangmyeong-si, Gyeonggi-do, Korea
- Phone Number: +82-70-4277-8902
- Homepage: [www.gm.go.kr/cv/en/index.do](http://www.gm.go.kr/cv/en/index.do)
- Inquiries: +82-2-2090-1433/dodo@gmuc.co.kr
- Major Events Held in Recent Years: KOPIST (Korea Partnership Initiative for Sustainable Tourism) Working-Level Training Meeting (2019) / Emergency Readiness Korea Exercise (2019) / Presentation on Cases of Good Governance in Korea (2019)

### Other Major Event Held in Recent Years

- Name of the Event: Capacity Building Conference for Gyeonggi-do Area Social Security Council Members 2020 / Meeting
- Date of the Event: 2020.11.30
- Name of the Event: Autonomous Local Government Civil Servants' Meeting at Cave Art Center
- Participants & Number of Participants: 20 Autonomous Local Government civil servants

Source: Korea Tourism Organization, "2022 KOREA Unique Venue"



# BJFEZ

## Taking a Leap Forward as a New Growth Axis of the Korean Economy

The Busan-Jinhae Free Economic Zone (BJFEZ) Authority, celebrating its 20th anniversary this year, is the center of a logistics tri-port (airport, seaport and railway) that is a gateway airport to the world, a hub for Pacific Ocean cargo, and the starting point for trade and domestic cargo. With the upcoming opening of Gadeokdo New Airport in 2029 and Jinhae New Port in 2040, tremendous growth is expected.

By maximizing the advantages of the world's best logistics transportation network, BJFEZ Authority plans to strengthen its transportation competitiveness by promoting high-value-added complex logistics industries such as logistics + manufacturing and logistics + IT, as well as fostering the cold chain fulfillment service industry to attract large-scale Global Distribution Centers (GDCs).

And on top of that, the Authority's commitment to regulatory innovation is unparalleled. It is focused on improving regulations that are unnecessary or need to be improved to create a favorable environment for businesses. To efficiently utilize the scarce land in the port hinterland, the BJFEZ Authority has eased building height restrictions (from 40m to 60m), leading to a 338% increase in investment in logistics centers (from KRW 50 billion to KRW 169 billion). Another easing of area restrictions was achieved in June last year, which is expected to lead to increased value-added and new cargo volumes for companies, creating large-scale employment and revitalizing the local economy.

Kim Gi-young, Commissioner of BJFEZ Authority, stated, "Logistics is the core that controls the flow of entire industries and the foundation of future cutting-edge industries. With its unrivaled location, BJFEZ aims to become 'The global hub for international business and logistics', and we will do our best to achieve this."

*Source: The Busan-Jinhae Free Economic Zone Authority (BJFEZ)*





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