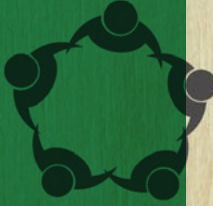




Procedure

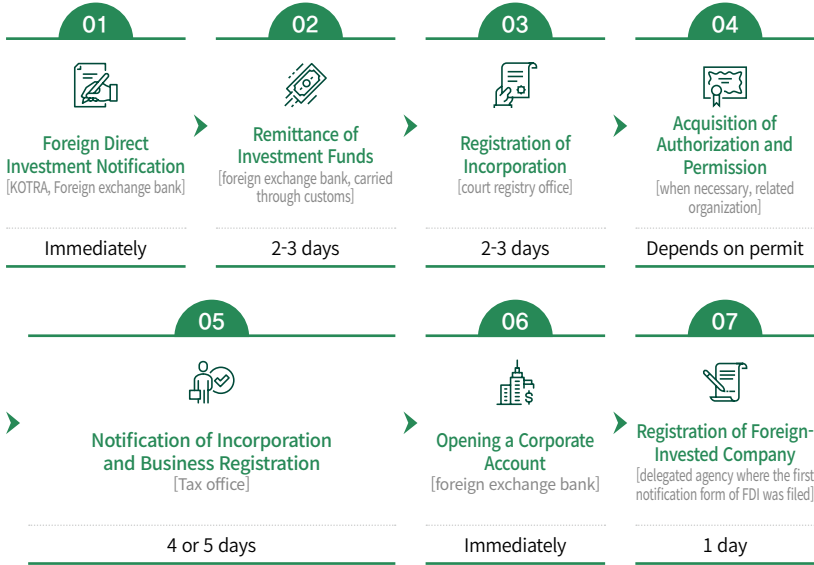
# Procedure by Type of Investment

> Incorporation



# Incorporation

## 【 Incorporation Procedure 】




※ Related laws: Articles 5 and 21 of the [Foreign Investment Promotion Act](#) , Articles 6 and 27 of the Enforcement Decree of the Act, Articles 2 and 17 of the Enforcement Rules of the Act

## 01. Foreign Direct Investment Notification

A foreign investor is required to pre-notify the FDI to KOTRA (Includes KOTRA's Foreign Investor Support Center and overseas investment hub offices) or a foreign exchange bank.

### DOCUMENTS

#### Foreign Direct Investment Notification

- **2 copies of the notification form** ([Enforcement Rules of the Foreign Investment Promotion Act, Attached Form 1](#)  : notification of foreign investment by acquisition of stocks or contribution and application for its permission)
- **Foreign investor's certificate of nationality** (Foreigners: passport; Foreign corporation or organization: business license, certificate of incorporation, or proof that the said corporation or organization is based in the said country)

#### [In case of non-cash investments]

- Documents certifying object of investment (e.g. documents certifying the monetary value of industrial property rights)

\* Where an agent files an application: Power of Attorney and the agent's identification (ID card)

※ **Contact: Foreign Investor Support Center (1600-7119)**

## IN DETAIL

### Evaluation of Technology

In order to invest with technology, the foreign investor should submit documents certifying the monetary value of industrial property rights, etc. Technology evaluation agencies are as follows: Korea Institute for Advancement of Technology, Korea Technology Finance Corporation, Korea Evaluation Institute of Industrial Technology, Korea Environment Corporation, Korean Agency for Technology and Standards, Korea Institute of Science and Technology, Korea Institute of Science and Technology Information, and National IT Industry Promotion Agency.

※ Article 30 (4) of the Foreign Investment Promotion Act, Article 39 (2) of the Enforcement Decree of the Act, and Article 4 of the Enforcement Decree of the Act on Special Measures for the Promotion of Venture Business

## 02. Remittance of Investment Funds

A foreign investor may remit investment funds by wire transfer to a temporary account at a domestic bank from overseas or hand-carry the foreign currency through customs directly. In the latter case, the investor should declare the funds at the customs office and receive a 'certificate of declaration of foreign currency'. In principle, the remitted investment funds should undergo the procedure for deposit of funds for payment for shares and then a certificate of deposit of payment for shares is submitted to the court. However, in case of companies valued less than KRW 1 billion, it is possible to submit a certificate of balance after opening an account in the name of an investor. In this case, the funds can be freely withdrawn for business purposes from the following day.

### INFORMATION

#### Opening a Temporary Account

A foreign investor may open a temporary account after submitting documentary evidence of nationality (a certificate of existence of the foreign investor's nation or a passport) to the bank. However, the required documents could differ depending on the financial institution. In addition, the remittance should be done in foreign currency and the purpose of the remittance should be stated 'investment.'

## 03. Registration of Incorporation

The registry division in the court accepts the application for registration of incorporation and it takes two to three days for the registration. The required documents can be checked on the list of application forms and required documents from the Registry of Supreme Court Internet Register Office.

※ See PART 4. Incorporation ▶ Incorporation procedure ▶ 03. Registration of Incorporation (p.43) 


## 04. Authorization and Permission

Where deemed necessary for business, a foreign investor must acquire authorization or permission from the competent authorities: District Office, Health Center, Ministry of Food and Drug Safety, etc. The processing period may vary depending on the sort of authorization and permission for the type of business.

※ See PART 4. Incorporation ▶ Incorporation procedure ▶ 04. Authorization and Permission (p.43) 

## 05. Notification of Incorporation and Business Registration

Every tax office accepts notification of incorporation and business registration regardless of the jurisdiction. They should be done within 20 days of the business commencement date.

- ※ Application for business registration can be submitted to the KOTRA Foreign Investor Support Center (approval: tax office)
- ※ See PART 4. Incorporation ▶ Incorporation procedure ▶ 05. Notification of Incorporation and Business Registration (p.43) 

## 06. Opening of Corporate Bank Account

A foreign investor shall open a corporate bank account at a foreign exchange bank immediately. However, choosing a bank requires careful consideration since opening additional accounts at another bank is restricted for 20 business days.

- ※ See PART 4. Incorporation ▶ Incorporation procedure ▶ 06. Opening a Corporate Bank Account (p.44) 

## 07. Registration of Foreign-invested Company

After the registration of incorporation, foreign-invested company registration shall be undertaken at KOTRA or at a foreign exchange bank where the notification was first made as the last step of FDI incorporation. The registration should be completed within 60 days following the payment of the object of investment.

### DOCUMENTS

#### Registration of Foreign-invested Company

- Application form  
(Attached Form 17 of the Enforcement Rules of the Foreign Investment Promotion Act: Application form for foreign-invested company registration )
- Incorporation registration certificate / Foreign currency purchase certificate / Shareholder's list / Copy of business license

\* Where an agent files an application: Power of attorney and the agent's identification

