



JEJU INVESTMENT

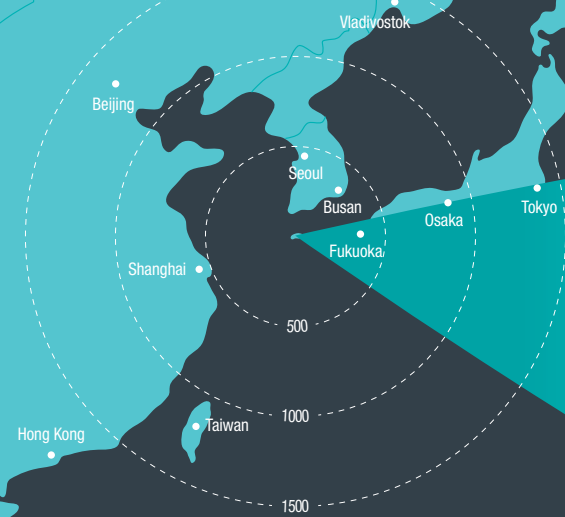
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JEJU INVESTMENT

Jeju Free International City, Connecting the Asian Continent and the Pacific Ocean

Jeju Island is critically positioned at the heart of East Asia, connecting Russia, China, Japan, and East Asia and linking the continent to the ocean. From Jeju, major metropolises, such as Seoul, Tokyo, Beijing, and Shanghai, are easily reachable via short, direct flights, and 16 megacities with populations of 1 million or more are within a 3 hr flight distance. Thus, Jeju fits the role of a test bed of new industries, which is required to be verified in the Asian market. In addition, Jeju was designated as 'Jeju Free International City' by the central government in 2002. It is operating on the principle of No Visa/No Tax. It is rising as an optimal investment destination with world-class business infrastructure and highly competitive systems.



Transportation Capacity 2018

- AIR TRAVEL 29.46 million people
- MARITIME TRAVEL 2.41 million people



Annual Visitors Domestic/Overseas

- 15.0 million people
- Much popular attraction from East Asian visitors



Area

- 1,850km²
- 1.8% of the territory of South Korea
- 3 times bigger than Seoul and 1.7 times bigger than Hong Kong



Population 2019

- About 690,000 people
- 24,841 foreigners (3.6%)



Access

- An hour flight distance between Jeju and Seoul
- Within a 3 hr flight distance between Jeju and Beijing, Tokyo, and Shanghai



Gross Regional Domestic Product (GRDP) 2018

- KRW 19.3 trillion



Climate

- Oceanic climate
- Average temperature 16°C
- Average rainfall 1,000–1,800 mm



GRDP per Capita 2018

- KRW 30.50 million (KRW 36.80 million nationwide)

Jeju's Industry and Business, Creating Issues in East Asia

Because of its clean natural environment, Jeju has many business opportunities as it has also been preparing future industries. Since 2014, it has led the attraction of foreign direct investment to the Republic of Korea in the tourist development field. Traditionally, it has a strong presence in the tertiary industry. In addition, recognized as being listed as UNESCO Biosphere Reserve (2002), World Natural Heritage (2007), and Global Geopark (2010), Jeju has been a representative tourist attraction in South Korea since the 1980s. Moreover, it has been backed by well-established tourism infrastructures, such as excellent airport and port facilities and diversified related industries.

In the era of the Fourth Industrial Revolution, Jeju continues to grow to future industries without factories in 2020. Under the blueprint of transforming the entire island into a smart city, Jeju has built a smart island where big data is naturally collected and used through diverse policies and support. It is also a "drone air city" that explores the potential of the drone industry in various fields, such as marine environmental monitoring, forest pest control, and urban safety service with drones. As such, the IT companies that moved to Jeju for work-life balance join this trend and create synergy together.

The innovation ecosystem is also created in electric vehicle-related industries. With a much higher penetration rate of electric vehicles than other cities, Jeju is a leading province for electric vehicles and also a government-designated free zone for electric vehicle charging services. Under the "Carbon Free Island Jeju by 2030" policy that will change 75% of local transportation means to electric vehicles by 2030, Jeju's electric vehicle-related industries have a high growth potential on the stage of the entire East Asia. In terms of provincial power supply, Jeju aims at achieving 100% renewable energy by 2030. Moreover, Jeju's abundant wind is the largest resource for wind power generation. Its wind power generation is led by the public to nurture renewable energy-related industries. A large-scale wind power generation project, led by the Jeju Energy Corporation, is another attractive investment destination.

Jeju fosters the cosmetics industry with its clean natural resources and abundant species. Its tourism industry with a long history grows in line with the wellness trend that seeks the health of both body and mind by combining meditation, relaxation, and medical care and produces greater added value. The Jeju Global Education City aims to be an education hub of East Asia and supports excellent foreign investors' residential conditions in Jeju. In addition, we need to point out a Science Park, an IT/BT/ET industry cluster that leads high-tech sectors in Jeju. Furthermore, Jeju has an air/marine transportation infrastructure that accommodates up to 15 million people every year as well as the geopolitical benefits of connecting East Asia and the Pacific.

History

From the 14th to 19th centuries, Jeju was a quiet, separated island from the main land of Korea and served as a place of exile. In the past, Jeju had a strong presence in the primary industry until the 1960s when the tourism industry of Jeju started to undergo development that is led by the central government. Since then, the tangerine industry, which started in earnest in the 1970s, has been the foundation of the Jeju's economy in addition to the tourism industry. The proportion of the primary industry is just 10%, but it firmly supports Jeju up to now.



Gross Income of the Primary Industry 2018

- KRW 3.8 trillion (No. 1 in the nation)



Main Product

- Tangerine, radish, carrot, pork, fish, and shellfish

Investment Environment

Jeju, which grew steadily based on the tourism industry, made a new leap forward as an international free city for qualitative growth with a more advanced economic structure in 2002. As such, it was designated as the Special Self-Governing Province in 2006. Since then, it has pursued a business-friendly city, meeting global standards based on autonomy. In 2017, Jeju ranked first in terms of foreign direct investment (FDI) among local governments except the capital area. It allows visa-free entry for people from about 160 nations and provides special incentives to investors.



Accumulated Foreign Direct Investment 1978-2018

- USD 4.05 billion



Foreign Firms

- 206 companies

Growth Vision

Jeju peruses "green" and "sustainable" growth and formulates industrial policies with companies that share this vision. It intensively fosters new technologies that lead the Fourth Industrial Revolution; high-tech industries, such as IT, BT, and CT; green energy industry; and clean primary industry, and actively supports investment attraction in an administrative way.

*Going green.
Growing sustainably.*

Culture

Jeju is an island with a language and culture unique from the Korean Peninsula. In fact, a myth with stories about 18,000 gods has been passed down, and the ruins of the ancient Jeju kingdom have remained throughout the island. People on Jeju are down-to-earth and tend to speak in a direct manner with less emphasis on formality than other Koreans. You'll find a welcoming community of people on the island who know the value of sharing and strong community bonds.



Female Divers Haenyeo

- Inscribed as the Intangible Cultural Heritage of Humanity 2016



Jeju Batdam

black stone fences around fields

- Designated as the National Important Agricultural Heritage 2013
- Designated as the Globally Important Agricultural Heritage Systems 2014



06

Smart Island

Innovation ecosystem that prepares for smart growth

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Biotechnology

Ingredients with infinite potential from clean nature and cosmetics industry

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Wellness Industry

Medical care and recreational industry, a new growth engine that will drive tourism in Jeju

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Green Energy

Electric vehicles and renewable energy industries, a method of handling the climate crisis of the carbon-neutral island

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An education hub of Northeast Asia, Jeju Global Education City, and talent training programs

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Investment Incentives

Distinctive advantages of Jeju

1

SMART ISLAND

Smart Island

Innovative strategy for Jeju's future,
preparing for smart growth

Advanced ICTs, such as Big Data, Internet of Things (IoT), Artificial Intelligence (AI), as well as blockchain, drones, self-driving cars, and super-fast 5G technology, are innovatively transforming our daily lives to a future city. With the "Smart Island Future City Strategy," Jeju advances to an innovative island suitable for the Fourth Industrial Revolution.

Jeju's smart island strategy establishes the economic, social, and ecological structures in response to the Fourth Industrial Revolution. In the process, it also preserves nature and combines digital technologies with existing industries. As such, urban problems are resolved in a smart way by analyzing big data, and the quality of residents' life is improved through data-driven automation and efficiency. In addition, this island pursues sustainable change and innovation. It commercializes administrative services using drones and lifts restrictions in fields where innovation is needed to shorten the path to a future city. With rich data, it activates civic hacking and living lab and promotes voluntary participation and active communication of civil society to achieve digital social innovation and realize deliberative democracy. Moreover, with little interference with radio waves because of its physical separation from the main land and its unique advantage of being the nation's largest tourist attraction with 15 million visitors every year, Jeju realizes innovation with its smart island policy.



Local government's customized administrative service through drones



Science Park



Kakao, a major IT firm moving to Jeju

Smart Island Project

Performing in Jeju

1 Tourism

- Installing public Wi-Fi in tourist attractions, convenient facilities, parks, etc.
- Identifying major travel routes and preferred travel types by analyzing data to use for future tourism policy

Current public Wi-Fi status in Jeju

- 5,096 spots in 2019 (including 932 buses)
- Additional installation of 200 spots by 2020
- Additional installation of 6,000 spots by 2024

2 Traffic/Mobility

- Establishing an IoT integrated data of public transportation
- Providing 10 types of data such as detailed bus location, vehicle status, car accident location, etc. in real time
- Analyzing big data, such as bus travel route and driving pattern, and opening it to the national core data

Offering a very detailed bus location data service through the Kakao Map app

Providing information on driving speed and travel routes as well as bus departure/arrival time as an innovative public transportation information guide service only for Jeju developed in cooperation with Kakao

3 Weather

- Building a simple weather station in major roads, tourist attractions, or agricultural lands to collect weather information and analyze big data
- Observing local weather changes that may largely affect agriculture and tourism
- Opening observation data and verifying application models
- Developing a weather service through public-private partnerships

4 Jeju Big Data Center

- Allowing Jeju data hub to open and share data
- Building infrastructure to increase big data application by residents, small- and medium-sized companies, colleges, and public organizations
- Ensuring the availability of the use of high-priced big data such as mobile carrier and credit card data in the center
- Developing a new public service and a business model through public-private partnerships and expanding an innovation ecosystem of the smart city

5 Drone

- Jeju is the only city that was selected for the drone regulatory sandbox project, which is organized by the Ministry of Land, Infrastructure and Transport, for two years in a row.
- Finding a local government's customized administrative service.
- The world's first delivery service of public masks to isolated regions through hydrogen-powered drones (2020)
- Test bed that demonstrates a core technology of the drone industry

6 Spatial Information

- Building a streaming platform in a digital twin way
- Building and analyzing a 3D stream model with high precision through Airborne Laser Bathymetry (ALB) for efficient management
- Korea's first application of an e-government service model led by the private sector

7 Science Park

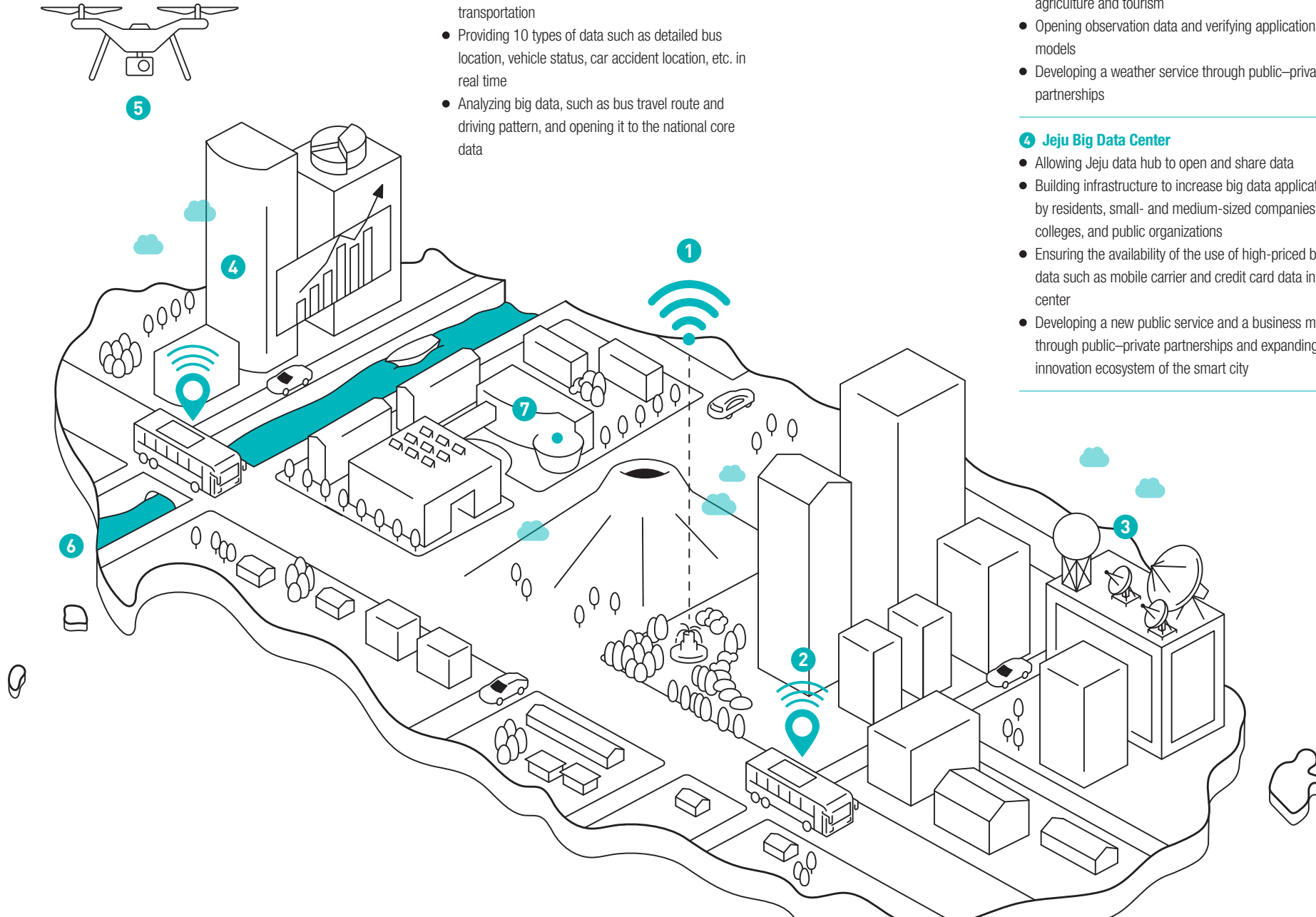
- Incubating new industries in the information and communications and life science fields as a national industrial complex from 2004
- Tenant venture companies and research institutes such as the Jeju Innovation Growth Center and the Center for Eco-Friendly and Smart Vehicles, KAIST

○ Size	1,090,000m ²
○ Number of Tenant Companies	126
○ Number of Workers	2,230
○ Annual Sales	KRW 2.9 trillion

Science Park 2nd Complex

- Attracting public and private research centers in IT/BT/ET sectors
- Located in Youngpyeong-dong, Jeju-si, like the 1st complex
- Expected to be developed by 2022

○ Size	848,163 m ²
○ Project Period	2016-2022 (expected)
○ Designation/Development Type	National industrial complex/ Public development type



2 GREEN ENERGY

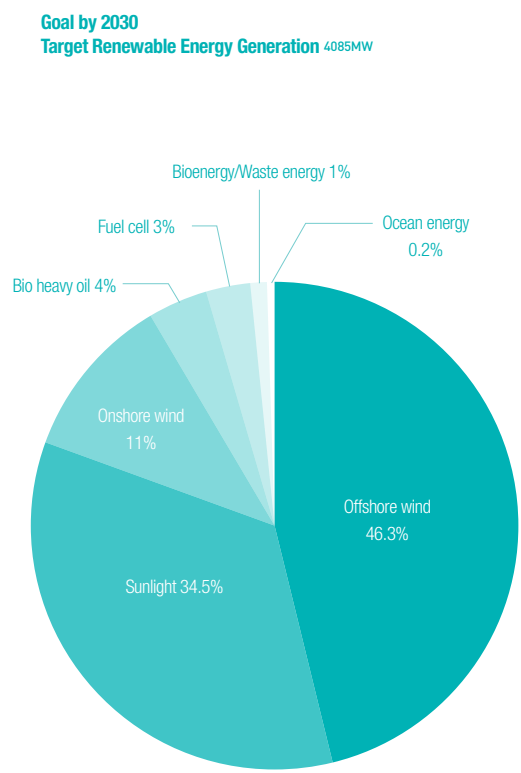
Green Energy

A method of handling the climate crisis of the carbon-neutral island
Electric vehicle and renewable energy industry

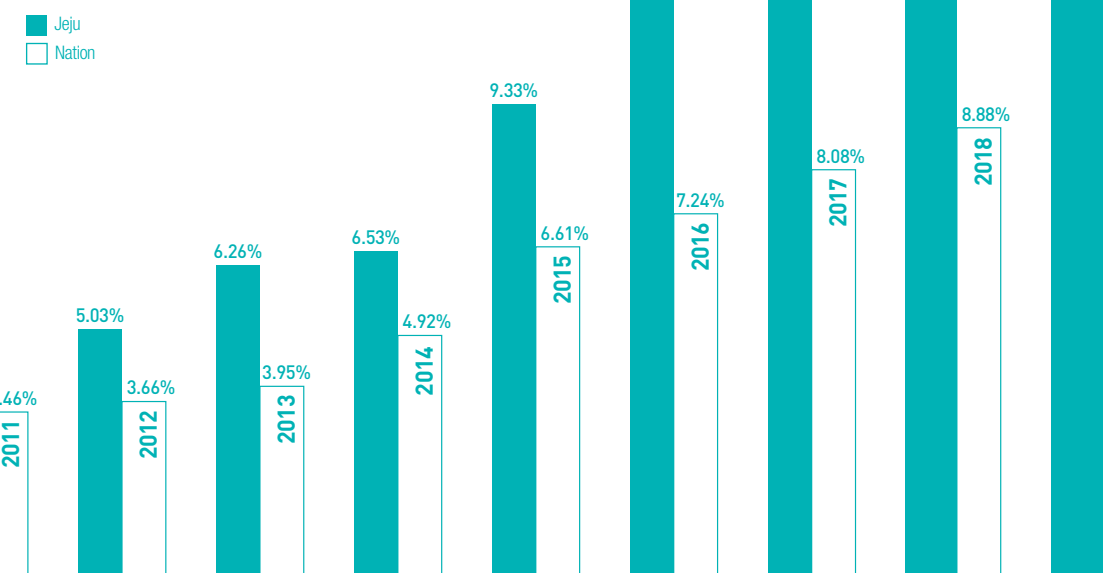
The Paris Agreement that resolves the joint response of the international society to the climate crisis was signed in 2015. Prior to that, Jeju forecasted the need for change and declared "Carbon-Free Island by 2030" in 2012.

According to the Carbon-Neutral Island Jeju 2030 project, Jeju aims to convert 100% of its electricity generation to renewable energy by 2030. As such, it reduces greenhouse gas emission by replacing 75% of its transportation means with electric vehicles to achieve self-sufficient energy independence to respond to a new climate regime. The recognized position as a city that leads electric vehicles and the strong wind because of its natural characteristics are the largest resources in the green energy industry. In addition, Jeju, which has favorable conditions to apply new technologies and promote participatory projects for residents, is an area that leads domestic/overseas greenhouse gas emission reduction policies. Thus, Jeju's journey to create a global model of green growth is full of new business opportunities.

- Carbon-Neutral Island Jeju 2030 Project**
- Replacing 75% of its vehicles with electric vehicles, converting 100% of its electricity generation to renewable energy, and reducing greenhouse gas emission by 34% by 2030
 - 14.34% of renewable energy distribution rate as of 2019
 - First promotion of a regulation-free special zone of electric vehicle charging service from 2019 to 2023



Distribution Rate of Renewable Energy against Total Power Generation 2011-2019

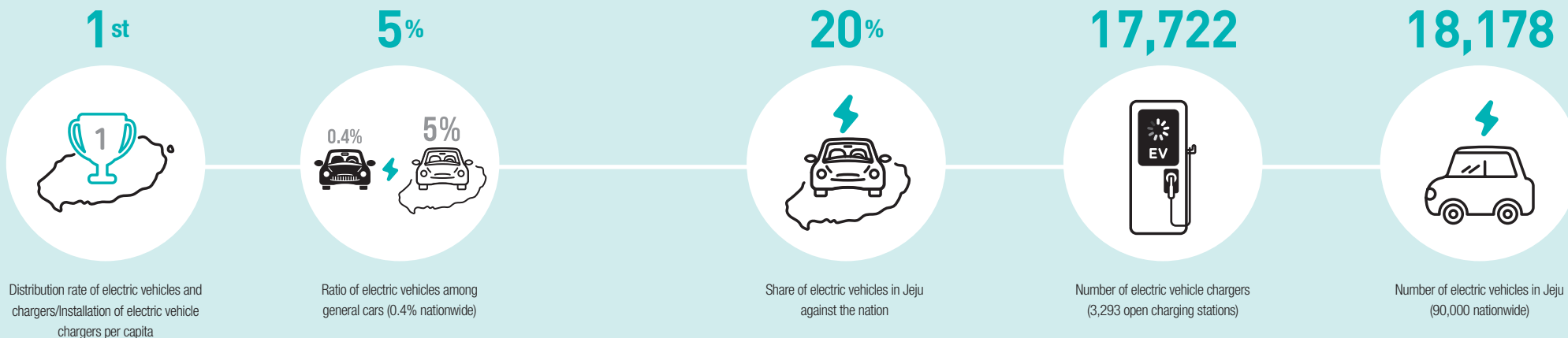


Electric Vehicle Business

Electric vehicles are evolving into energy storage and high-performance computers beyond means of transportation. As such, the electric vehicle business leads the Fourth Industrial Revolution by combining with self-driving technology and renewable energy.

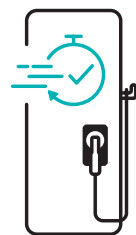
1 City Leading Electric Vehicles

Jeju ranks first in the nation as a city that leads electric vehicles. A total of 2 out of 10 among 90,000 electric cars nationwide are in service in Jeju. About 5% of the cars in Jeju are electric vehicles, and the ratio will increase further.

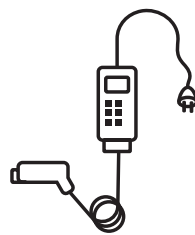


2 Regulation-Free Special Zone for Electric Vehicle Charging Service

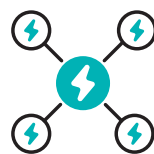
A way to analyze an innovative electric vehicle charging service model, free from regulations, is opened to Jeju. As such, startups involved in electric vehicle charging are moving to Jeju, which is designated as a regulation-free special zone.



Advanced charging infrastructure, reducing charging time



Mobile charging service with minimal footprint



Charging infrastructure sharing platform for the efficient use of chargers



Electric vehicle specialized diagnosis service based on charging data



Battery Industrialization Center

- Korea's first complex specialized for reusing EV batteries
- Establishing a regional independent EV waste battery inspection base
- Building the Energy Storage System (ESS) linked with renewable energy
- Establishing a business model that can spread locally and abroad



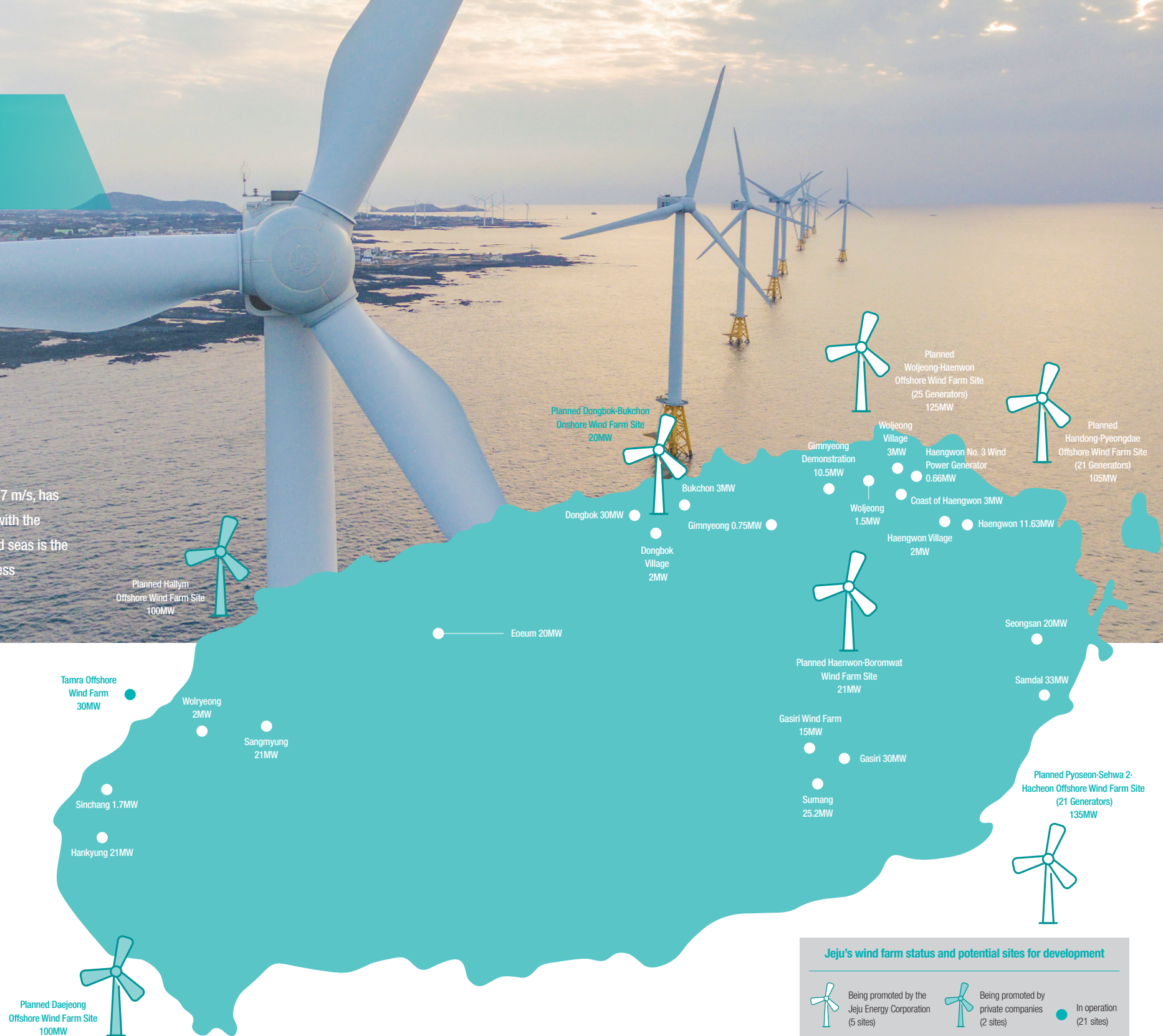
Center for Eco-Friendly and Smart Vehicles, KAIST

- An R&D center of core technologies for eco-friendly vehicles and self-driving cars
- Built in the Jeju Innovation Growth Center of the Jeju Free International City Development Center in connection with KAIST
- Promoting a virtuous circle that leads to the commercialization of R&D results and the creation of jobs

Wind of Jeju Wind Power Generation

Jeju, an island of wind with an average wind speed of 7 m/s, has abundant wind resources. Its wind power generation with the island environment surrounded by unlimited winds and seas is the most important axis of Jeju's renewable energy business and a future growth engine.

For the development of an offshore wind farm, the Jeju Energy Corporation selects an area suitable for the generation, analyzes its feasibility, formulates a plan, designates a landlord, and attracts investors. "Tamra Offshore Wind Farm," which started commercial operation in 2017, is Korea's first large-scale offshore wind farm that is led by the Jeju Energy Corporation. In the areas of Handong-ri and Pyeongdae-ri, Gujwa-eup, Jeju, an offshore wind power generation project is being performed through the participation of residents. As the Jeju Energy Corporation, as a prospective project operator, actively responds to diverse matters such as discussion with residents and compensation, this project is good for more stable investments.



3 Bio- technology

BIOTECHNOLOGY

Unlimited potential of clean nature
Bio Industries

Jeju's rich biodiversity containing about 9,700 species makes it a repository of biological resources, holding huge potential for growth in BT industries. From camellia, green tea, and kajime to lava seawater and volcanic ash pore, natural ingredients produced from Jeju's unique geological features and vegetation are clean and safe and give uniqueness to brands.

Jeju's cosmetics industry continues to grow in terms of number, size, and sales every year based on administrative and financial supports by the local government. In addition, its related infrastructure, including R&D facilities, is also reliable. Jeju published the "Jeju's Natural Cosmetic Ingredient Dictionary" after carefully selecting cosmetic ingredients, coming from Jeju's biological resources, listed on the International Cosmetic Ingredient Dictionary and Handbook (ICID), and operates "Jeju Cosmetic Cert" to improve the value of Jeju cosmetics and their competitiveness. Moreover, Jeju is already a brand name. Thus, its bio/cosmetic ingredients/cosmetics/food industries have unlimited potential.



Jeju Oreum made with volcanic ash pore



Clean sea rich in diverse seafood and seaweed



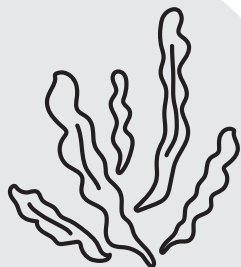
Gottalval, a forest formed on volcanic stones and a repository of biological resources

Representative Bio Resources



Lava Seawater

- Underground water containing salt, created when seawater filters through a volcanic rock formation
- Has a potential to be used in diverse ways with its natural minerals, such as calcium, magnesium, vanadium, and germanium
- Lava Seawater Industrialization Support Centers 1 & 2: Hosting companies in cosmetics and food businesses, etc.



Seaweed

- About 700 species of various seaweeds, including gulfweed, kajime, sea mustard, and hijikia
- Spotlighted as foods and ingredients of medicines and cosmetics



Underground Water

- Clean water without impurities filtered out by passing through volcanic rock formation for a long time
- "Jeju Samdasoo" produced by Jeju Province Development Corporation: A successful case of commercialization of Jeju's water resource
- Since its release in 1998, it has been ranked no. 1 in the Korean market for 20 years. In 2018, it recorded the highest domestic sales volume, selling 840,000 t.



Volcanic Ash Pore

- Natural ceramic created when magma exploded, founded throughout Jeju
- Excellent for far-infrared radiation and negative ion emission with absorption and antibacterial properties because it contains diverse minerals



Camellia, Green Tea, Canola, Tangerine

- Representative specialties: Verified cosmetic ingredients with Jeju's distinct characteristics
- Naturalistic Jeju cosmetic brands have already released diverse cosmetics.

Various Support for Bio Industry

Infrastructure support

- Operating factories of producing cosmetics (cGMP, ISO-22716 certified)
- Building a cosmetic ingredient/useful subtropical microbial resource industrialization support center (in progress)
- Expected to build a "cosmetics skin clinical solution center" to complete an innovative regional cluster for the Jeju cosmetics industry

Infrastructure support

- Developing technologies of personalized cosmetics using big data (in progress)
- R&D and product support by using natural resources

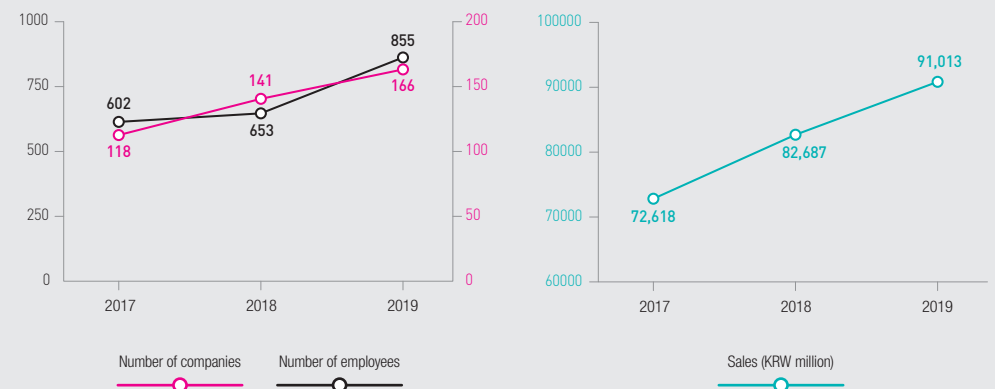
Commercialization support

- Holding the Jeju Natural Cosmetics Fair, LOHAS Exhibition, International Aroma Fair, etc.
- Selling Jeju cosmetics in duty-free shops at Jeju International Airport and Incheon International Airport
- Supporting customized production and test analysis for bio companies (KOLAS)

Administrative support

- Operating a certification system that issues an official mark to products that use ingredients from or are produced in Jeju
- Applicable products containing 10% or more of Jeju's ingredients (5% or more in case of wash-off cosmetic products), using purified water of Jeju, or produced in Jeju

Cosmetics industry status in Jeju



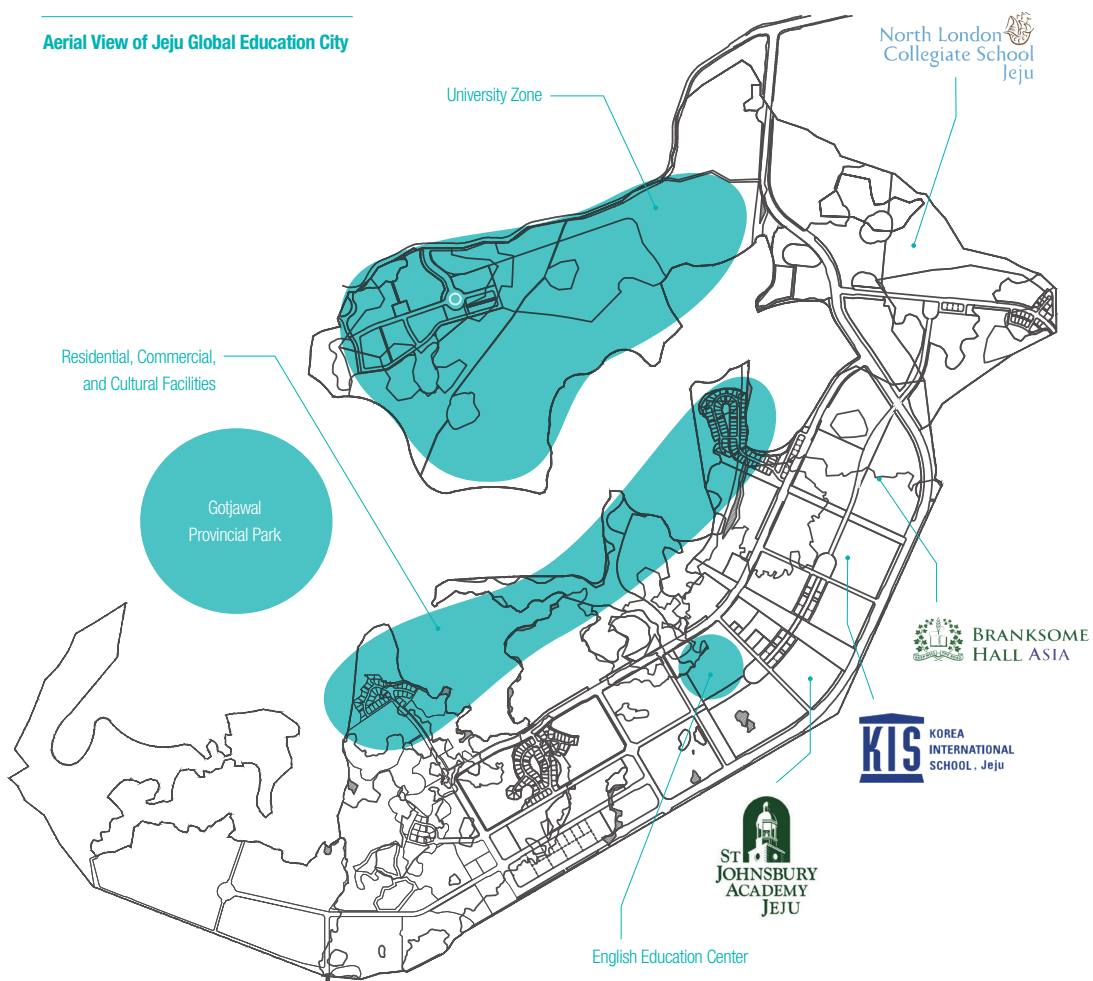
4 EDUCATION HUB

Hub for Education

An education hub of Northeast Asia, Jeju Global Education City and talent training programs

Education is the most important residential condition for local investors and a magnet for investment in securing diverse business models as it is. With its clean natural environment, Jeju aims to be an education hub of Northeast Asia.

Aerial View of Jeju Global Education City



Global Education City, created in an area of Daejeong-eup, Seogwipo-si, is a mecca for foreign language education where English is used in everyday life and school. It provides the finest education environment for those who moved to Jeju for business, as well as for the children of investors. Jeju provides a special incentive to those who want to do an education business in Northeast Asia. In addition, it operates diverse programs at the provincial level to foster talents to create new local values together. Jeju Center for Creative Economy and Innovation operates a renovation school and a local branding school that train local innovators and creators, as well as a creative talent development program promoted by Deo Keun Naeil, a training center for youth employment and startups, and NeoPie, a game developer, with the province fosters innovative talents specialized for future industries.

Attraction of Foreign Colleges in the Jeju Global Education City

Zone for attracting foreign colleges



Jeju attracts foreign colleges in the Jeju Global Education City. Jeju provides diverse tax benefits, including support for the preparation of school establishment and the initial operating expenses to a foreign educational foundation that builds a college in the zone for foreign colleges in the Jeju Global Education City.

Overview

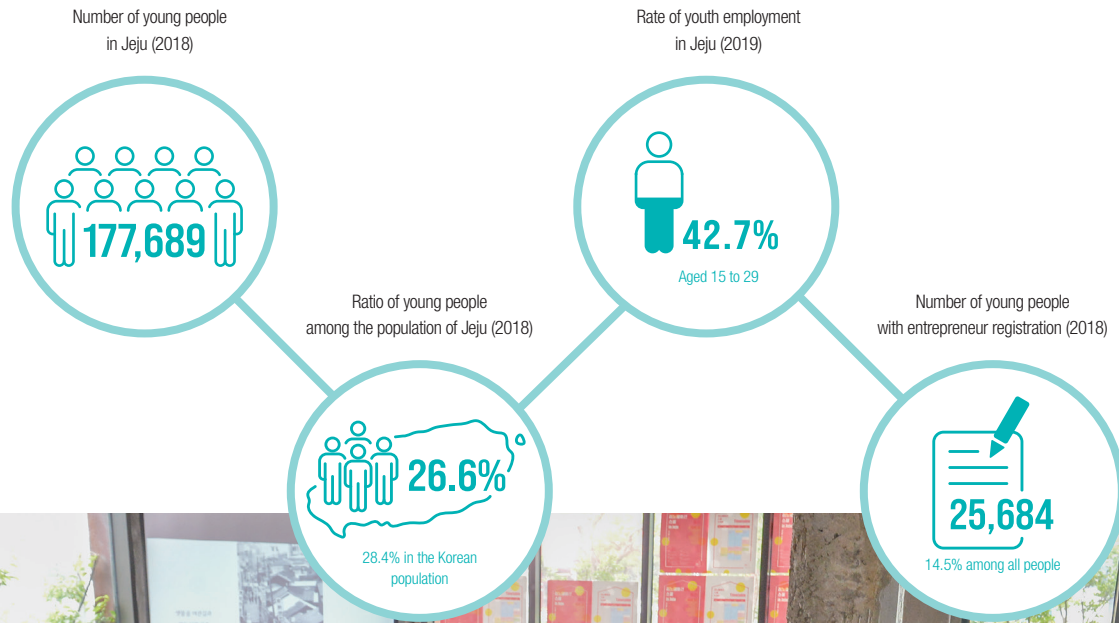
● Location	Jeju Global Education City, Daejeong-eup, Seogwipo-si, Jeju Special Self-Governing Province
● Area	892,669 m ² (23.5% of the entire project area) 117,578 m ² for university zone (total floor space: 45,286 m ²)
● Size	1,000 students from 4–5 colleges
● Project Expense	KRW 130 billion (KRW 99.7 billion for construction, KRW 12 billion for land purchase, KRW 11 billion for operation assistance, KRW 7.3 billion for others)
● Main Facility	Basic educational facilities, such as research building, library, etc., and support facilities, such as dormitory, auditorium, gymnasium, etc.
● Qualification	Foreign educational foundations
● Procedure	A foreign educational foundation applies for the approval of school establishment to the governor by 12 months before the school is expected to be opened. The deliberation committee notifies the deliberation result to the applicant by not later than eight months before the expected opening date.
● Condition	Securing property for school facilities, teachers, and profits including the school site



Tax Benefits

● Basis	Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City Special Act on Establishment and Management of Foreign Educational Institutions in Free Economic Zones and Jeju Free International City Municipal Ordinance on Establishment and Management of Foreign Colleges in Jeju Special Self-Governing Province
● National Tax	(corporate and income taxes) 100% exemption for three years, 50% for the following two years
● Tariff	100% exemption (on directly used capital goods)
● Local Tax	(acquisition tax) 85% exemption for five years (property tax) 85% exemption for 10 years
● Charges	100% exemption for occupation or utilization fee for publicly owned area or water, development expenses 50% exemption for farmland development expenses, alternative green area development expenses, alternative forest resource development expenses 15% exemption for sewage utilization fees

Human Resources Development Program, Growing with the Region



Jeju introduces diverse talent training programs to nurture self-directed, innovative people who can locally create their own business and increase values at the provincial level. In addition to “Renovation School in Jeju,” there are various programs operated by the Jeju Center for Creative Economy and Innovation, such as “TAMNA Talents,” introduced by the Deo Keun Naeil under the Jeju Business Agency, and “NeoPle Jeju Academy,” operated in cooperation with Jeju Island, NeoPle, and Jeju Technopark.



Jeju Center for Creative Economy and Innovation Renovation School in Jeju, etc.

- A program to foster innovators who can plan and implement innovative business models based on the region
- Supporting training programs to secure the startup ecosystem base in the province
- Local branding school, J-ACADEMY, training courses for startup entrepreneurs in coding education, Kao Class, Blockchain Hackathon, etc.



Talents of the Deo Keun Naeil

- Fostering innovative talents and establishing support platforms for employment and startups
- Operating diverse programs to enhance the capabilities of young people
- Supporting young people for their life and project expenses, and giving training or educational programs for a certain period when finding jobs
- Finding job ideas for young people and offering job creation and ways to commercialize them
- Building a network with companies for the employment of young people locally and abroad, and supporting their employment



NeoPle Jeju Academy

- A program of fostering young talents for employment based on practical affairs
- Two courses of 2D graphics and programming to improve employment competency for the game industry
- Direct operation by NeoPle in its in-house training center or the Digital Convergence Center of the Jeju Technopark
- Special benefits such as free tuition for trainees and support of accommodation, etc.
- Giving an opportunity for the trainees selected as excellent performers to be employed in NeoPle as its full-time employee

WELLNESS INDUSTRY

5

Wellness Industry

Medical care and recreation industry to improve the added values of Jeju

Jeju, listed on World Natural Heritage, Biosphere Reserve, Global Geopark, is the only well-organized region in the natural science sectors of UNESCO in the world. Its clean and beautiful nature is the best resource for the wellness industry.



Seogwipo Healing Forest
Operating forest healing programs using tree resources in Jeju



WE Hotel Wellness Center
Operating diverse aqua therapy programs using volcanic aquifer water



Chuidasun Resort
Operating a wellness package with a tea ceremony, meditation, and accommodation

The global wellness industry, worth USD 4.2 trillion, is fast growing. Its average annual growth rate from 2015 to 2017 was 6.4%. The wellness trend, which combines healing, recreation, treatment, and travel, gives a new opportunity for Jeju, which has abundant infrastructure as a conventionally popular place for tourism based on its clean nature. With the increase in income levels, aging society, and growing interest in well-being, more people visit Jeju for wellness travel. Thus, if you find a new investment or a business model, you should consider the fast-growing wellness industry of Jeju.

Jeju takes diverse steps to attract leading domestic and overseas medical institutions and nurture the medical and tourism convergence industry across the province. In 2008, Jeju started to provide medical services to foreigners by designating six medical institutions in the province as a medical clinic for foreigners for the first time in Korea. In addition, in accordance with Article 307 (Special Cases concerning Establishment of Medical Institutions) of the Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City, a cooperation established by a foreigner or a foreign medical institution is allowed to be opened if the governor approves it. Moreover, the Healthcare Town, located in Seogwipo-si, is attracting investment with the goal of becoming a global medical tourism complex. Thus, Jeju's wellness industry is the starting point to expand into the Northeast Asian market.



No. 1 Tourist Destination in Korea

- Tourism big data analysis result by Korea Tourism Organization, Ministry of Culture, Sports and Tourism in 2018



Tourism Income

- KRW 5.7 trillion 2017



Number of Tourists

- 15 million annual average



Ecology Resource

- Eco Trail 500km
- Recreational Forest 1,149ha



Forests and Fields

- 47% of the island



Ramsar Wetlands

- 2.81km²

Overview of Investment Attraction of Healthcare Town

Healthcare Town aims at becoming a global medical tourism complex. With Jeju's beautiful nature, the town has various types of wellness/medical/R&D facilities to provide a one-stop service of comfortable treatment and relaxation. Moreover, it implements all businesses related to health care from special hospitals to retirement towns in addition to long-term care by adding residential functions and leads the medical tourism of Jeju.



● Investment Attraction	Medical/research facilities (special hospitals, healthcare centers, medical streets) Exercise/entertainment facilities (rehabilitation training center) Accommodation (retirement community, long-term care town)
● Investment Method	Buying or leasing all or part of the land owned or created by JDC Supplying a site for a retirement community/long-term care town as a housing lot
● Investment Condition	Constructing and operating facilities suitable for the project purpose of a purchased or leased site Medical institutions, medical rehabilitation facilities, residential welfare facilities for seniors, etc.
● Investment Type	Sole investment or consortium, etc. (negotiable) Preferred experience in operating related facilities

1 Retirement Community

- Area 115,407 m² (up to 3 floors)
- Accommodation/educational/cultural facilities and amenities for medical and operational staff and visitors, and a town for aged people

2 Special Hospital

- Area 63,354 m² (up to 4 floors)
- Medical facilities for medical tourism activation, such as general hospitals, special hospitals, and nursing hospitals

3 Long-Term Care Town

- Area 87,426 m² (up to 3 floors)
- Accommodation complex for people and families with long-term recreation/care needs
- Operating recreational and nursing programs in connection with nearby medical facilities

4 Healthcare Center

- Area 15,737 m² (up to 5 floors)
- A complex facility with the concept of medical treatment and tourism
- Health/beauty/oriental medical facilities, etc.

5 Rehabilitation Center

- Area 31,897 m² (up to 3 floors)
- Introducing rehabilitation facilities and diverse rehabilitation treatment programs

6 Medical Street Nos. 1-6

- Area 5,421-8,637 m² (up to 3 floors)
- A medical service zone specialized for attracting domestic medical institutions to promote medical tourism

Inquiry about Investment and Occupation
 Medical Business Team of the Jeju Province Development
 • JDC Elite Building, 213-4, Cheomdan-ro, Jeju-si, Jeju Special Self-Governing Province, Korea • +82-64-797-5715 • www.jdcenter.com



Investment Incentives

Distinct advantages,
given only by Jeju



Major companies invested in Jeju



Innovative investment incentives enabled by the Jeju Special Act offer a special advantage, setting Jeju apart from other regions. As of today, several domestic companies have benefitted from these incentives by relocating to Jeju, and the accumulated foreign direct investment surpassed USD 4 billion. Check out the numerous incentives Jeju has to offer, particularly the ones related to Jeju Investment Promotion Zone, Foreign Investment Zone, and Real Estate Investment Immigration System.

Investment Promotion Zone

Overview

- Korea's only system that supports domestic and overseas capitals investing in Jeju without discrimination
- Offering various tax benefits and applying special cases of public properties to nurture the core industries of Jeju

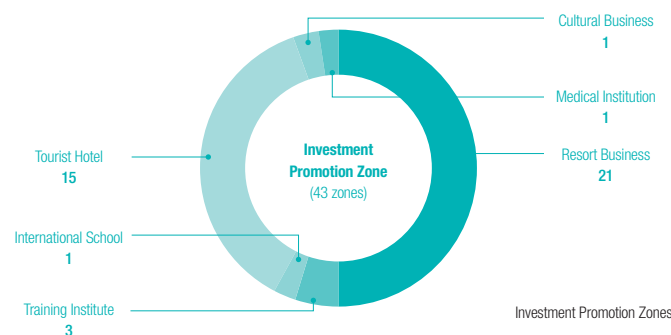
Target Industry

USD 20 million or higher in investment

Tourist hotel business, floating tourist hotel business, Korean traditional hotel business (except casino and bonded stores), specialized/general resort business (except recreation condominiums and golf courses), tourist excursion ship business, tourist theater business, general amusement complex business, international conference facility business, tourist restaurant business, marina business

USD 5 million or higher in investment

Cultural industry, welfare facility business for the elderly, youth training facility business, railway business, power generation business using renewable energy, foreign educational institution/autonomous school/international high school/international school, educational institute (training center), medical institution (excluding medical clinics/dental clinics, oriental medical clinics/midwifery clinics), health care technology research and development service business, high-tech utilization industry, food and beverage manufacturing business (factory), cosmetics manufacturing business, research and development business (limited to health and medical treatment technology, high-tech utilization industry, cosmetics manufacturing business, food and beverage manufacturing business)



Incentive

National Tax

- (Corporate and income taxes for tenants) 100% exemption for three years, 50% for the following two years
- (Corporate and income taxes for development project operators) 50% exemption for three years, 25% for the following two years)
- 100% exemption on imported capital goods to be directly used in the said project within three years from the day of the designation

Local Tax

- (Acquisition tax) 100% exemption for five years (first real estate acquisition date in the case of a complex type)
 - * Applying tax cut in advance when the land is acquired
- (Property tax) 100% exemption for 10 years from the day of the designation (first tax obligation establishment date in the case of a complex type)

Other Charges

- 100% exemption for occupation or utilization fee for a publicly owned area or water, development expenses
- 50% exemption for farmland development expenses, alternative green area development
- 15% exemption for sewage utilization fees

Designation Process

1. Application
2. Plan formulation and opinion collection
3. General Plan Committee's deliberation
4. Announcement of designation (governor)
5. Management of the investment promotion zone (governor)

Foreign Investment Area(Individual)

Eligible Businesses and Investment Amount

- Tourism**
- USD 20 million or higher of FDI, new construction of facilities for business
 - Tourist hotel business, floating tourist hotel business, Korean traditional hotel business, specialized resort business, General resort business, general amusement complex business, international conference facility business, industrial support service business, Youth training facility business
- Logistics (SOC)**
- USD 10 million or higher in investment
 - Complex freight terminal business, common house/delivery complex construction/operation business
 - Port facility operation business, airport facility operation business
- Manufacturing Industry**
- USD 30 million or higher in investment
- R&D**
- USD 2 million or higher in investment

Incentive

- Local Tax**
- (acquisition and income taxes) tax cut for 15 years
100% exemption for five years, 85% for the next 10 years
- Tariff**
- A 100% exemption on capital goods completely declared within 5 years from the date of reporting a foreign investment
- Land purchase support**
- Support requested after land purchase
(60% from the national government, 40% from the local government)
- Cash support**
- Partial support funds spent on a project by the national and local governments. This support is limited to foreign investments that largely affect the local economy.
* Foreign-invested enterprises that meet the target requirement of a 30% or higher ratio of foreign investment
* Projects with new growth engine industry technologies, cutting-edge technologies, or advanced products, or research facilities with R&D activities, etc.
- Others**
- Rental of national or public properties, reduction in rental fees, assignment of project managers, etc.

Designation Process

1. Working-level consultation and designation plan formulation (governor)
2. Request for deliberation on the designation of a foreign investment zone (governor)
3. Foreign Investment Committee's deliberation (Ministry of Trade, Industry and Energy)
4. Announcement of a designated foreign investment zone (governor)

Real Estate Investment Immigration System

Eligible Business

- Residential facilities for recreational purposes in a project zone received the approval of the development project from the governor in accordance with Article 147 of the Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City, and were designated as a "tourist destination and tourism complex" in accordance with Article 52 of the Tourism Promotion Act.

Incentive

- Issuance of F2 residency visa when purchasing a residential facility for recreational purposes, worth at least KRW 500 million, and review of F5 permanent residency visa after five years

Others

- Until April 30, 2023
-
- Providing the compulsory education and health insurance benefits equivalent to those for Koreans in addition to F2/F5 visa issuance
-
- Allowing admission into an international school located in the Jeju Global Education City
-
- Granting the local suffrage three years after obtaining the F5 qualification

Subsidy for Domestic Companies Relocating to Jeju Island

Companies Relocating from the Capital Area

- Companies having operation record for at least three years in the capital area
- 30 or more permanent employees
- KRW 1 billion or higher in investment, KRW 30 billion or higher for large companies
- Relocation of their headquarter, factory, or research center

SMEs

- Up to 40% of the land purchase cost
* Note that the subsidiary is within the area of the existing workplace (m²) × Unit price of the purchase of the site to be invested (KRW) × 5
- Up to 24% of equipment investment

Middle-Standing Companies

- Up to 20% of the land purchase cost
* Note that the subsidiary is within the area of the existing workplace (m²) × Unit price of the purchase of the site to be invested (KRW) × 5
- Up to 19% of equipment investment

Large Companies

- N/A for land subsidiary, up to 11% of equipment investment
- (Corporate tax of Jeju-si) 100% exemption for four years, 50% for the following two years
- (Corporate tax of Seogwipo-si) 100% exemption for six years, 50% for the following three years

Companies Building New or Expanding Existing Facilities

- Manufacturing industry, info-communications industry, knowledge services industry
- Companies having operation record for at least three years in a row
- 10 or more permanent employees (all workplaces in Korea)
- KRW 1 billion or higher in investment, KRW 30 billion or higher for large companies
* The number of newly hired employees after investment must be 10% or more than the number of employees at the existing place of business.
* Existing business site must be maintained.
*Limit: KRW 10 billion per company (75% from national government, 25% from the Jeju provincial government)

SMEs

Up to 24% of equipment investment

Middle-Standing Companies

Up to 19% of equipment investment

Large Companies

Up to 11% of equipment investment

Companies Relocating from Regions Other than the Capital Area

- Companies having operation record for at least two years in a region other than the capital area
- 20 or more permanent employees
- Relocation of their headquarter, factory, or research center (100% from Jeju provincial government)

Land Subsidy

- Up to 25% of the land purchase cost (within the budget)

Equipment Investment Subsidy

- Up to 10% of equipment investment (within the budget)

Employment Subsidy

- The number of newly hired employees who live in the jurisdiction exceeds 10
- Within KRW 500,000 every month for 12 months per employee (up to KRW 100 million)

Education and Training Subsidy

- The number of newly hired employees who live in the jurisdiction exceeds 10
- Within KRW 500,000 every month for six months per trainee (up to KRW 100 million)

Companies in the Cultural/ICT Industry

- Renting a building in the province and hiring local Jeju residents as permanent employees (100% from Jeju provincial government)

Building Rental Fee

- Up to 50% of the rent for three years (up to KRW 500 million) when hiring more than 10 permanent employees

Facility and Equipment Expenses

- Up to 30% of the expenses (up to KRW 300 million) when hiring more than 10 permanent employees
- Up to 40% of the expenses (up to KRW 400 million) when hiring more than 30 permanent employees
- Up to 50% of the expenses (up to KRW 500 million) when hiring more than 50 permanent employees

Employment Subsidy

- For 6 months per employee when hiring more than 10 permanent employees
- 70% of the 6 months average wage (up to KRW 300 million) (within KRW 1 million a month)

Education and Training Subsidy

- For 6 months per trainee when hiring 20 or more permanent employees
- Actual cost within KRW 1 million a month (up to KRW 300 million)