

# Jeollabuk-do, Investment Guide

Jeollabuk-do and Korea

Jeollabuk-do, where dreams blossom into success.  
We provide you with the **8 keys** to success.



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## Jeollabuk-do and Korea

Jeollabuk-do has the next-generation growth power that will lead the future of Korea. Saemangeum, the Great Wall of the Ocean, boasts the world's longest seawall. The carbon, agriculture, and tourist industry will not only be responsible for the future 100 years economy of Jeollabuk-do but also that of Korea.

**Future new growth engine, Jeollabuk-do is the answer.**





Domestic and foreign enterprises are increasingly settling in

## Jeollabuk-do!

Jeollabuk-do is a place full of infinite growth potential. **It will help you accomplish farsighted new growth.**

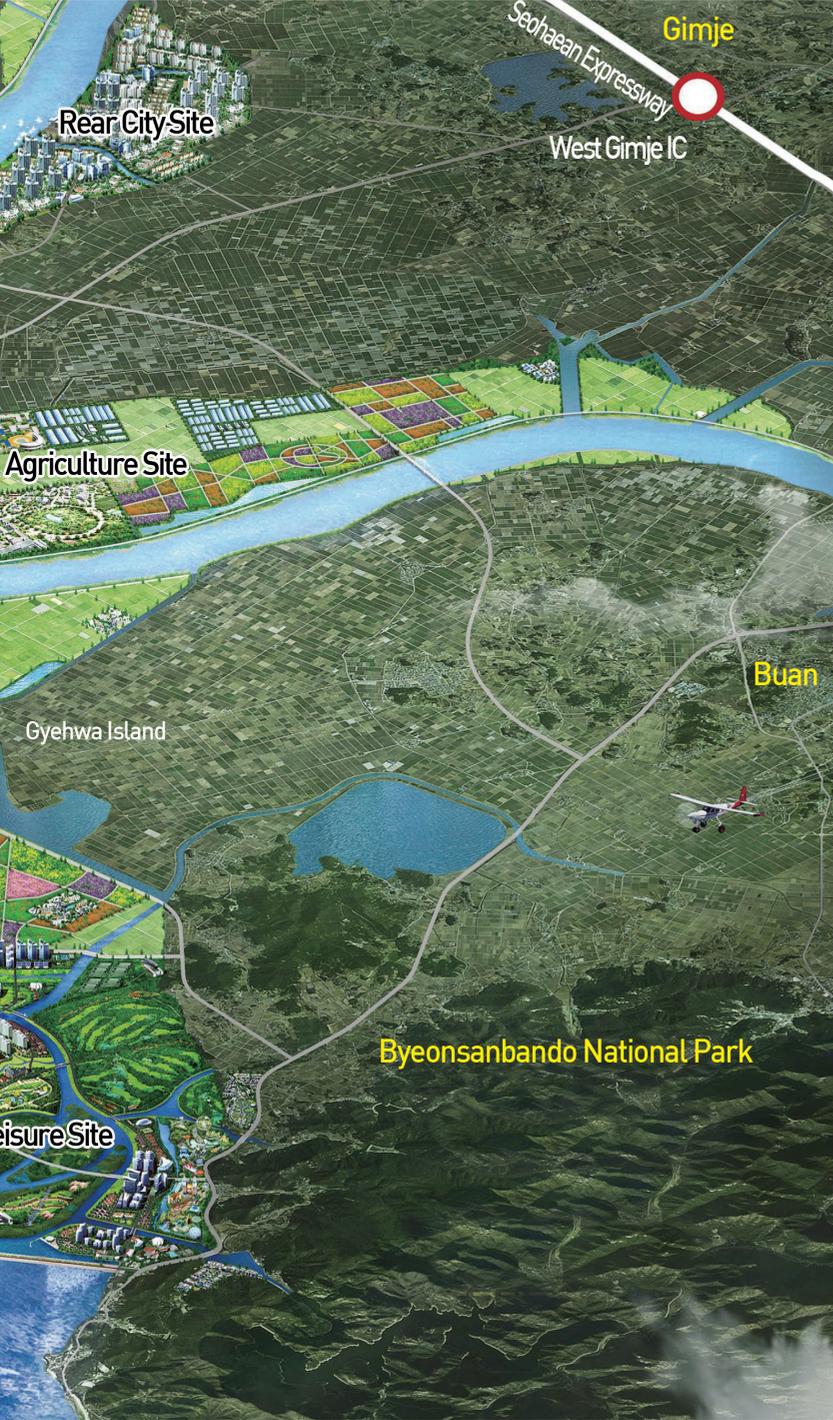


Jeollabuk-do,  
*blooming with investment.*

# Bravo, Jeollabuk-do



# Jeollabuk-do will turn your investment into a success story.



## Beautiful nature Living site of life being betaken, Jeonbuk with thousand years

Jeollabuk-do is a beautiful land that boasts natural scenic beauty and a 1000 year history. It is starting to spread its wings to fly high as the future hope of Korea and North East Asia on top of preserving its long history and tradition. New growth engine projects, with the Saemangeum, the longest seawall in the world leading the line, are progressing without difficulties. Three Joy Agriculture (agriculture and food industry), Total Tourism (ecology, environment and farms, culture, art, sports, and tour industry), Carbon Industry (growth engine industry) will be supporting Jeollabuk-do's economy for more than 100 years.

Jeollabuk-do, with infinite growth potential, also has a favorable investment environment. It is geographically close to China & East Asia. The traffic infrastructure allows you to travel anywhere in Korea within a day. The inexpensive Industry complex will improve the productivity of enterprises along with providing great incentives. Other special benefits that will guarantee a fruitful investment are waiting for you.



# Jeollabuk-do's special 8 Keys to Success

## Bravo, Jeollabuk-do

Beautiful nature Living site of life being betaken,  
Jeonbuk with thousand years.  
Jeollabuk-do will lead your investment a success story.



## Labor and management culture that helps enterprise growth

Jeollabuk-do proclaimed industrial peace treaty between labor and management authorities. Jeollabuk-do stabilized the labor and management environment and is doing its utmost best to help the growth of enterprises.



## Jeollabuk-do, the center of West coast in Korean Peninsula

Jeollabuk-do is an area within Seohaean that is enjoying dramatic and positive economic growth rates. Jeollabuk-do area's GRDP and economic growth rates have been inclining steadily.



## Unprecedented Incentives

Jeollabuk-do subsidizes up to 30 billion Won to large-scale investment enterprises. (City and county subsidies separately)





## Optimal Industrial Complex

The optimal industrial complex is helping Jeollabuk-do transform into an industrial and economic hub of Northeast Asia.



## Training capable professional workers and Excellent R&D

Jeollabuk-do hosts approximately 300 research institutions and networks that possess advanced technologies. We are also actively promoting a joint program between industry, education, and government entities. This will foster manpower capable to work in the enterprises.



## Business Hub of Northeast Asia

Jeollabuk-do is geographically close to China and the Asian market. Jeollabuk-do's location is an economically important Jeollabuk-do in the pan-Yellow Sea area and it is quickly rising up as a 21st century Northeast Asia business hub.



## Well-developed Traffic Infrastructure

You can reach anywhere in Korea within half a day because of the great traffic infrastructure built in Jeollabuk-do.



Jeollabuk-do,  
*blooming with investment.*

# Jeollabuk-do is...

The optimal place as a global distribution supply site.

Closest to China and Japan, two world markets.

The shortest distance to China is 580 kilometers.

Korea-U.S FTA, Korea-EU FTA, Korea-China FTA.

FTA concluded with many nations.

Able to land in 60 cities with a population over

1 million within two hours by plane.

We offer the most enterprise-friendly and **optimized investment environment** in Korea.

The center of Northeast Asia "Jeollabuk-do"... The gate to the world.

★ 1.5 billion population (22.5% of the world's population)

### Economic Hub of Northeast Asia

Closest to the biggest markets such as Japan, China, and Russia.  
580 kilometers away from the world's biggest market, China.

★ Forming an enormous consumer market.

Able to land in 60 cities with a population over 1 million within two hours by plane.

(Beijing 60 minutes, Tokyo and Shanghai 90 minutes)

All within 1,200 kilometers radius.

**Well-developed land, sea, and air infrastructures.**

Able to reach any part of Korea within 2-3 hours.





**Expressway**

Honam Expressway, Seohaean Expressway, Daegu-Gwangju Expressway

- Daejeon ↔ Tongyeong
- Iksan ↔ Jangsu
- Gochang ↔ Damyang
- Jeonju ↔ Kwangyang
- Saemanguem ↔ Jeonju (construction in-progress)



**High-speed railroad such as KTX, SRT, etc.**

KTX, SRT, Honam line, Jeolla line, and Janghang line

- Honam line: Seoul ↔ Iksan ↔ Mokpo
- Jeolla line: Seoul ↔ Iksan ↔ Jeonju ↔ Yeosu
- Janghang line: Seoul ↔ Cheonan ↔ Janghang ↔ Gunsan ↔ Iksan
- Saemanguem: Gunsan ↔ Iksan (Construction in-progress)



**Airport**

Gunsan Airport, Saemanguem International Airport (Construction in-progress)

- Muan International Airport: 1 hour
- Cheongju International Airport: 1 hour 30 min.
- Incheon International Airport: 2 hour 30 min.



**Port**

- Gunsan port: 30 berths
- Saemanguem new port: 18 berths
- Dangjin port: 42 berths
- Kwangyang port: 78 berths

**Saemanguem new port (Construction in-progress)**

Average water depth: 15-25m Deepest water depth in Korea  
 Berth: 18 berths Annual cargo volume: 80 million ton  
 Gunsan, closest port from China

Unit: km

|          | Gunsan | Incheon | Pyeongtaek | Kwangyang | Busan |
|----------|--------|---------|------------|-----------|-------|
| Shanghai | 684    | 832     | 886        | 750       | 887   |
| Tsingtao | 558    | 624     | 576        | 783       | 889   |

Russia

Japan

China

1,000km





### The best R&D Support Center will be alongside the enterprises.

- Public Research Institute: 38 institutes, 1,360 people  
(National Research Institute, Regional Cooperation Research Center, Regional Technology Innovation Center)
- University: 20 universities, 5,255 people (University research centers)
- Enterprise: 240 enterprises, 2,556 people

### Enterprises will be able to recruit excellent and capable industrial manpower.

#### **Training and providing 30,000 professionals every year.**

- 36 natural science and engineering universities and vocational high schools train and foster technically capable experts
  - 20 natural science and engineering universities, 25,000 people, 16 vocational high schools, 3,000 people
- Industry, Education, Government Joint Project: 3.8 billion Won invested every year, 1,100 people (11 universities, 26 courses)
  - Enterprises and universities cooperate to foster capable personnel for the industrial sites.
- Small and medium-sized Businesses Manpower Support Project
  - Operates a job placement center for employment and recruitment

### Global enterprises are with Jeollabuk-do

- Automobile and Machinery: Hyundai Motor Group, Tata Daewoo, Doosan Infracore Co., Tong Yang Moolsan Co., LS Mtron
- New Renewable Energy: OCI, Solar Park Korea, Human Composite
- New Material: Toray, Hyosung, Samyang Innochem, KCC, OCI, Iljin Materials Co., Samyang Fine Technology
- Food Industry: Pulmuone Danone, Sangha, Harim, Dodram, Royal Canin



The land of opportunity and hope!

# Saemangeum



A city of dreams built by filling the ocean, the economic central hub of Northeast Asia, Saemangeum is full of opportunities and potential. Saemangeum is the only place in Korea where the Korean government directly develops and supports. It will grow as a specialized zone with close to zero regulations that will act as the center of global free trade.

## Saemangeum Project Summary

- ▶ Purpose: develop saemangeum project area into a central global free trade area
- ▶ Size: 409 km<sup>2</sup> (land development 291 km<sup>2</sup>, fresh water lake 118 km<sup>2</sup>)
- ▶ Location: Buan-gun, Gimje, Gunsan Jeollabuk-do
- ▶ Project Cost: Approx. 22.19 trillion Won
- ▶ Plans for each sites: Industrial research site, International cooperation site, Tour and leisure site, Agriculture site, Environment and ecology site, Rear city site



## Saemangeum Project Development Strategy

|  |   |
|--|---|
|  <p><b>Create a transnational special economic cooperation zone</b></p> | <p>Develop an international cooperative economic community between Korea, China, and Japan</p>                        |
|  <p><b>Point city for global settlement and exchange</b></p>            | <p>First class city with international settlement friendly conditions</p>   |
|  <p><b>Animated green waterfront city</b></p>                           | <p>Environment-friendly city where humans and nature coexist.<br/>Sustainable advanced agriculture and green city</p> |
|  <p><b>Consumer customized planned city</b></p>                        | <p>City where investment flexibly reflects demand</p>   |
|  <p><b>Deregulation, Incentive specialized city</b></p>               | <p>Customized incentives and deregulation model city</p>  |

## Saemangeum Project's competitiveness



Saemangeum Development Agency, a central administration agency, was established (September, 2013) and is taking charge of the project.



Land that is 2/3 the size of Seoul (409 km<sup>2</sup>) is owned by the government as a site with no regulation and civil complaint.



'Saemangeum Special Act' was passed for the development of the national Saemangeum project. Investment-friendly systems for investors are in place.

## Saemangeum Industrial Complex

Saemangeum Industrial Complex is linked with Gunsan Industrial Complex. It is the largest industrial complex in Korea. Globally leading foreign and domestic enterprises such as Toray (Japan) and Solvay (Belgium) are also residing in the complex.



### Project Summary

- ▶ Location: Within the Saemangeum reclaimed land (in the vicinity of Gunsan 2nd national industrial complex)
- ▶ Area: 18.5 km<sup>2</sup>
- ▶ Sale price: 151,250 Won/m<sup>2</sup>
- ▶ Business categories: Automobile parts, advanced material, shipbuilding materials, R&D

### Supply infrastructure facility status



# Optimized conditions Foreign investment industrial complex

## Gunsan Free Trade Zone

📍 Gunsanji Jayuro 482 is within the Gunsan 2nd national industrial complex

🚗 Area: 1,256,000 m<sup>2</sup>

🏢 Settlement requirements: Foreign investment enterprise, export-oriented enterprise (manufacturing, information service industry), comprehensive logistics related industry, and applying industries.

🚚 Gunsan ↔ Seoul: 2 hours 30 minutes

🚢 Saemangeum New Port: 10 minutes

Gunsan Port: 15 minutes

✈️ Gunsan Airport: 15 minutes

🏭 33,000 tons per day

💡 120,000kw

🚚 LNG

🏠 240 thousand m<sup>2</sup>



## Iksan Foreign Part and Material Complex

📍 In the vicinity of Jeonbuk Iksan-si Samgi-myeon

🚗 Area: 330,000 m<sup>2</sup>

💰 Land rent fee: 103 Won/m<sup>2</sup> (monthly)

🏢 Foreign investment enterprises related to part and material (More than 100 million Won foreign investment, more than 30% of foreign investment share)

🚚 Iksan ↔ Seoul: 2 hours

🚗 Iksan ↔ Seoul: 60 minutes

🚢 Saemangeum, Gunsan Port: 30 minutes

✈️ Gunsan Airport: 30 minutes

🏭 15,550 m<sup>2</sup>/per day

💡 217,102kw

🚚 LNG

🏠 8,360 m<sup>2</sup>/per day





# Jelloabuk-do's special 10 Investment Appealing points

## 01 Optimal traffic infrastructure

Well established traffic infrastructures. Able to reach any part of Korea within 2-3 hours.

## 02 Easy access to the Asian market

Able to land in 60 cities with a population over 1 million within two hours by plane

## 03 Training capable professional workers

- Train technological and technical experts in 36 universities and profession specialized high schools.
- Provide capable manpower required by enterprises

## 04 Large and inexpensive Industrial Complex



## 05 Korea's best and unprecedented incentives

10% of investment cost, subsidizes up to 30 billion Won (Province + relevant city, all together)

## 06 High-quality and ample industrial water

Yongdam dam, Okjeong lake, Daeya dam, Geumgan river second water intake center

## 07 Stable labor and employment culture

- Selected as an exemplary labor and employment cooperative organization by the Ministry of Employment and Labor in 2012
- Frequency of conflict break out between labor and employment is the lowest in Korea (2015)

## 08 Safe from natural disasters

Lowest incidence rate of earthquakes, floods among areas in Korea

## 09 Well-trained workers and relatively inexpensive labor costs

Monthly wage (business with more than 5 workers, January 2017 stats/10,000 KRW)



## 10 Global enterprises that have already settled in



# Special incentive only in Jeollabuk-do

## Assistant Standard of the Investment Inducement Subsidy in Jeollabuk-do

Basis of assistant: Ordinance for the promotion of investment attraction and companies in Jeollabuk-do, Enforcement Regulation

<Common matters>

- ① A company, who concluded the preliminary Jeollabuk-do
- ② A company as going concern for more than 3 years (Except the large-scale investment)
- ③ An investment in excessive of 1 billion won (However, in case of IT CT industry and R&D service, carbon company, and returning domestic company, an investment in excessive of 100 million won)

※ Excluded type of business: Butchery business (except the butchery processing), ready-mix concrete, ascon, asphalt, block, cement, concrete pipe, cigarette, redrying business, reclaimed material business, frozen foods  
[Article 3 of the Regulation]

Grain polishing, lunch box, raw rice wine, herbal liquor, general material, print business, organic fertilizer, plate glass processing, ceramics, lime, plastic, roof tile, stone product, nonmetallic mineral, cast-iron pipe, smelting of nonferrous metals, metal product for frame, metal door, metal tank, hand tool, general iron goods manufacturing business, pollution, business with the risk of explosion and fire, other businesses to be deliberated

<Detailed matters>

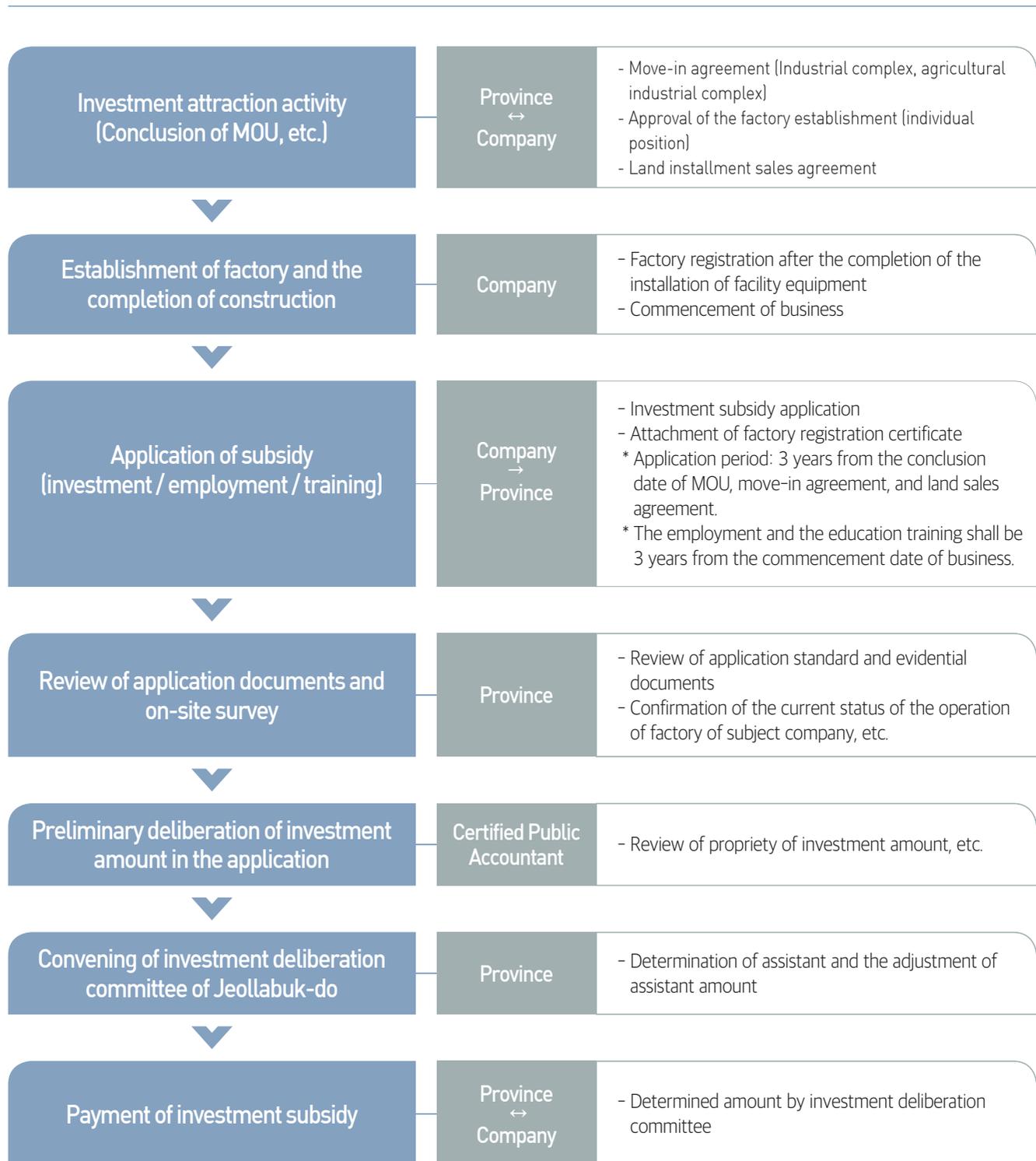
| Classification   | Subject of assistant   | Contents of assistant  | Limit   |
|------------------|--|--|---|
| Domestic company | <p><b>Establishment or transfer</b><br/>(Head office, research institute, factory)<br/>&lt;Paragraph 1 and 5, Article 7 of the Ordinance&gt;</p> <ul style="list-style-type: none"> <li>- (Head office, factory) Permanent employment of 20 people and more, investment in excessive of 1 billion won</li> <li>- (Research institute) Permanent employment of research personnel of 5 people and more, investment in excessive of 1 billion won</li> <li>- (Group transfer) Permanent employment of 5 people on each company with a total of 20 people and more, investment in excessive of 1 billion won</li> <li>- (IT · CT Industry and R&amp;D business, carbon company, and returning domestic company) Permanent employment of 5 people and more, investment in excessive of 100 million won</li> </ul> <p>※ Preferential assistant: Additional assistant upon the move-in of specialized zone by company in the major industry of region<br/>&lt;Article 4 of the Regulation&gt;</p> <p>▶ Upon the individual move-in, 2% / Upon the group move-in with more than 20, 5%</p> <p>※ Corporation for less than 3 years from the incorporation date: Investment of more than 5 billion won within the province<br/>&lt;Paragraph 3, Article 7 of the Regulation&gt;</p> | <ul style="list-style-type: none"> <li>• Within 10% of investment amount in excessive of 1 billion won<br/>(However, IT · CT Industry and R&amp;D business, carbon company, and returning domestic company shall be 10% of the investment amount in excessive of 100 million won.)</li> </ul>  | 5 billion won   |
|                  | <p><b>Producer service business</b><br/>&lt;Paragraph 1 and 5, Article 7 of the Ordinance, and paragraph 2 ~ 4, Article 3 of the Regulation&gt;</p> <ul style="list-style-type: none"> <li>- Permanent employment of more than 20 people<br/>(However, it is assisted only with the company, which determines the investment agreement at the committee prior to the conclusion of investment agreement.)</li> </ul> <p>※ 50% of lease fee upon the lease of building (limitation of 100 million won), assist for 5 years &lt;paragraph 2, Article 3 of the Regulation&gt;</p> <p>※ Corporation for less than 3 years from the incorporation date: Investment of more than 5 billion won within the province<br/>&lt;Paragraph 3, Article 7 of the Regulation&gt;</p>  | <ul style="list-style-type: none"> <li>• Within 5% of the investment amount in excessive of 1 billion won</li> </ul>   | 1 billion won   |
|                  | <p><b>Existing company within the province (New establishment or expansion)</b><br/>&lt;Paragraph 2 and 5, Article 7 of the Ordinance&gt;</p> <p>&lt;Common matters&gt;</p> <ul style="list-style-type: none"> <li>- (Assistant type of business) <ul style="list-style-type: none"> <li>① Major industry</li> <li>② Advanced industry</li> <li>③ Deliberated type of business</li> </ul> </li> </ul>  | <ul style="list-style-type: none"> <li>- (New establishment) Investment on other than existing site <ul style="list-style-type: none"> <li>• Permanent employment of 20 people and more, investment in excessive of 1 billion won<br/>(However, the research institute shall be more than 5 people.)</li> </ul> </li> <li>- (Extension) Within the existing site <ul style="list-style-type: none"> <li>※ The additional extension assistant shall be limited to the company that concludes MOU after 3 years from the application date of initial subsidy.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Within 10% of investment amount in excessive of 1 billion won</li> </ul> |

| Classification  |   | Subject of assistant   | Contents of assistant   | Limit  |
|---|---|--|---|--|
|   | Large-scale investment (including a new corporation) <Article 8 of the Ordinance>   | - Investment with more than 100 billion won or employment of more than 300 people<br>- Investment with more than 200 billion won or employment of more than 500 people<br>- Investment with more than 300 billion won or employment of more than 1,000 people  | • Within 10% of investment amount in excessive of 1 billion won   | Maximum of 30 billion won  |
|   |   | - Assist with settlement expense of employee (resident with more than 1 year after the move-in)  | • 1 year x 100,000 won / person (However, in case of cooperative company, the investment of 10 billion won and employment of 10 people and more)                                    | 1.2 million won per person   |
|   |   | ※ subject of assistant for the installation expense of factory infrastructure (Impossible for overlapped assistant with investment subsidy)<br>▶ Access road, electricity, gas, waste water  | • Within 30% of investment expense  | Individual position<br>Industrial, agricultural industrial complex |
| Transfer company in metropolitan area <Article 30 of the Ordinance> | - Continue for more than 3 years in metropolitan area, permanent employment of 30 people and more   | Based on the assistant standard of financial funds of nation (announcement)<br>☞ Preferential application of assistant standard of government  |   |  |
| Foreign investment company <Article 13 ~ 19 of the Ordinance>       | - Assistant of position subsidy <Article 13>  | • Difference amount of lease fee (installment sales price)<br>- Within 50% of normal price   |   | Within the budget (10 years)                                       |
|   | - Application of assistant standard of domestic company <Article 14> (However, it is impossible to be overlapped and applied to the foreign investment company and domestic company.)   | • Within 10% of investment amount in excessive of 1 billion won  |   | 5 billion won  |
|   | - The position subsidy and investment subsidy cannot be overlapped for the assistant <Article 15> (However, in case of large-scale, it is possible for the overlapped assistant of position and facility investment subsidy.) | -Additional assistant of facility subsidy (large-scale)<br>• Within 5% of facility investment amount in excessive of 1 billion won   |   | 5 billion won  |
|   | - Reduction of local tax, special case of common property, assistant on the improvement project of living environment of foreigner, etc. <Article 16 ~ Article 19>  | • Refer to the reduction of acquisition tax / common property ordinance, etc.  |   |  |
| Others  | Employment subsidy <Article 10 of the Ordinance, Article 7 of the Regulation>   | - Company in excessive of the new employment of resident of province for more than 20 (permanent employment) (However, in case of group transfer, IT · CT Industry and R&D business, carbon company, and returning domestic company, a company in excessive of 5 people on each company / Upon the establishment / transfer of research institute, the entire research personnel being hired)<br>• Newly hired personnel, who is a resident of province based on the resident registration as of the reception date of application within 3 years from the commencement date of business (permission date of construction) | • Excessive personnel of 20 people of new employment from the resident of province<br>- 1 million won x 6 months / person   | 1 billion won  |
|   | - (Producer service business)   | • Personnel in excessive of 20 new recruited residents of province<br>- 300,000 won x 6 months / person  |   | 5억   |
|   | - (Foreign investment company) It shall comply with the "assistant standard of financial funds of nation for the foreign investment attraction activities of local government".   |  |   |  |
| Others  | Education training subsidy <Article 11 of the Ordinance, Article 8 of the Regulation>   | - A company, who implements the education training for the permanent employment after the new recruitment of more than 20 residents of province (However, in case of group transfer, IT · CT Industry and R&D business, carbon company, and returning domestic company, more than 5 people on each company)<br>• Only a company that implements the education training for a resident of province based on the resident registration as of the reception date of application within 3 years from the commencement date of business (permission date of construction) (one-time assistant)                                  | • Personnel in excessive of 20 new recruited residents of province<br>- 100,000 ~ 500,000 won x 6 months / person<br>※ Assistant amount per person shall be determined by committee | 500 million won  |
|   | - (Producer services business)  | • Personnel in excessive of 20 new recruited residents of province<br>- 300,000 won x 6 months / person<br>※ Assistant amount per person shall be determined by committee  |   |  |
|   | - (Foreign investment company) It shall comply with the "assistant standard of financial funds of nation for the foreign investment attraction activities of local government".   |  |   |  |

※ This material is only for the reference, and the specific matters shall be complied with the ordinance and regulation for the promotion of investment attraction and companies in Jeollabuk-do.

# Assistant procedure of investment subsidy in Jeollabuk-do

## (Provincial expenditure assistant project)



# Jeollabuk-do's Tourist Attraction Sites

Jeollabuk-do has plenty of cultural contents that can be industrialized and resources that can be developed into global products.





Wanju



Jinan



Muju



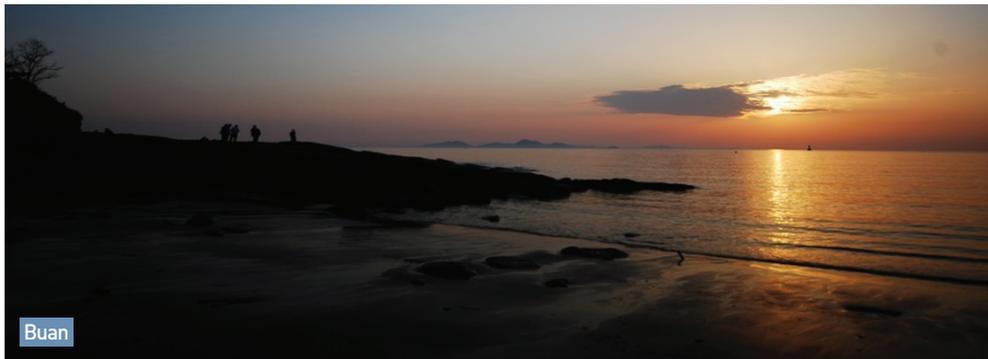
Jangsu



Sunchang



Imsil



Buan



Gochang



# Jeollabuk-do

Chungcheongnamdo



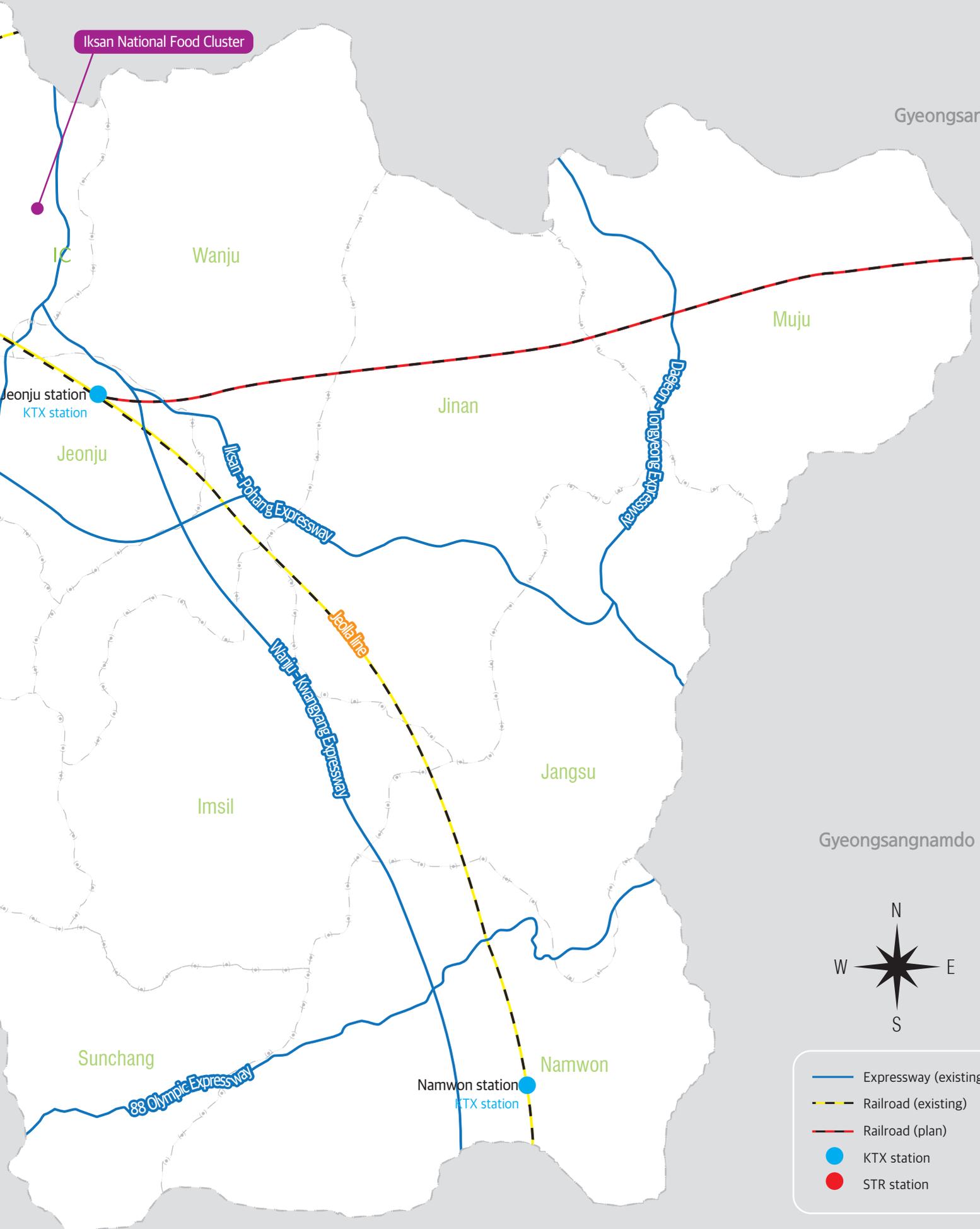
서해  
West Sea (西海)

Jeonlanamdo

Chungcheongbugdo

Gyeongsangbugdo

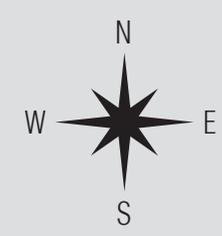
Iksan National Food Cluster



Jeonju station  
KTX station

Namwon station  
KTX station

Gyeongsangnamdo



- Expressway (existing)
- Railroad (existing)
- Railroad (plan)
- KTX station
- STR station



## Jeollabuk-do, Investment Guide



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