

Korea and India: Trade and Investment Status

Recently, the Korea-India Business Partnership was held in New Delhi, India to further strengthen economic cooperation between the two nations. On that note, let's take a closer look at where the trade and investment relationship between South Korea and India currently stands.

01 Korea-India CEPA

In January 2010, South Korea and India signed a comprehensive economic partnership agreement (CEPA) with a view to intensify bilateral economic cooperation. The term CEPA was adopted to stress comprehensive economic relations inclusive of merchandise and service trade, investment and economic cooperation, and is a de facto free trade agreement (FTA). The pact has helped the two countries expand bilateral trade, investment, people to people exchange and economic cooperation. Thanks to the CEPA, bilateral trade between the nations grew seven-fold within 10 years, from USD 2.6 billion in 2002 to USD 20.5 billion in 2011.

02 Korea-India Trade

India is Korea's 11th largest trading country. Two-way trade between Korea and India is characterized by manufacturing parts and raw materials.

Imports

In 2017, Korean imports from India stood at USD 4.9 billion. Main import items included naphtha, aluminum and other ferroalloys, with prospects of more chemical-based industrial and consumer goods.

Exports

In 2017, Korean exports to India stood at USD 15.05 billion. Main export items were industrial parts and materials such as wireless communication devices, auto parts and steel.

03 Korea's-India Investment

In 2017, Korean investment to India reached USD 949.2 million in declared amount, mainly in the manufacturing, retail/wholesale and construction industries.

In the same period, India invested USD 1.72 million in declared amount, mostly in the service industry and in research and development.

