

# Cheong-ju Developing a High-Tech Industrial City



hub along with seven express highways and the Osong KTX Station. Travel time from Cheong-ju to Seoul is about one hour, or two hours to any other location in Korea. Cheong-ju International Airport allows for same day travel to Beijing, Shanghai, Taipei and Osaka. Furthermore, the international ports of Pyeong-taek and Asan are located just 30 minutes away.

Lastly, SK, LG, CJ, and other leading Korean companies are located in Cheong-ju. SK Hynix announced on February 2019 that it will invest KRW 35 trillion in Cheong-ju for new production facilities by 2029. The presence and investment pledges of these global companies affirm Cheong-ju as one of the best places to do business.

## We Hope to “Smile Together” with Foreign Investors

There are more than 80 foreign-invested companies in Cheong-ju. Japan's Asahi Glass and Toray; Germany's Avantis; the Netherlands' Goulds Pumps; and the USA's Vogue Warner are the leading companies. We regularly contact business partners in order to gather information on the difficulties faced by foreign-invested companies. Said partners confirmed their satisfaction with the business environment in Cheong-ju.

Mayor Beum-Deuk Han, in cooperation with the City Council and Invest KOREA, is dedicated to making every effort to support foreign-invested companies as well as potential investors.

We hope to “smile together” with all those who choose to do business with us.

Cheong-ju has emerged as the largest city in the central region of Korea with the integration of its neighbor city in 2014, and now has a population of 850,000. Its area is 1.6 times larger than Seoul. According to data released in 2018, Cheong-ju posted a 22 percent average annual growth rate of its gross regional domestic production (GRDP) that spanned five years, from 2010 to 2015. It was ranked first among 228 local government municipalities in Korea. The nation's No. 1 GRDP growth rate is objectively proving a favorable business environment.

## Why Cheong-ju is Great for Business

First, Cheong-ju's manufacturing industry accounts for 48 percent of the total industry. The majority of companies are technology-intensive ones in the fields of biology, semiconductors, precision instruments, chemical products, parts and components. Osong, located in the western part of Cheong-ju, has been developing into a global bio-hub like the U.S. city of Boston. It contains the Ministry of Food and Drug Safety and other government organizations related to the bio sector. In addition, there are 120 research institutes

which include three universities. More than 100 companies such as Celltrion and Yuhan-Kimberly Clark are producing their goods there. All processes from R&D to production are consistently and effectively being carried out.

Second of all, Cheong-ju boasts a high quality workforce. About 12,000 students graduate from nine different universities every year. Moreover, the average annual labor cost of workers is USD 35,000, 8 percent lower than the national average of USD 38,000. Also, Cheong-ju's per capita labor productivity was USD 50,200, 10 percent higher than the national average of USD 45,600.

Thirdly, it boasts competitive prices for factory sites. The average cost of an industrial complex here is around USD 300 per sq. meter compared with USD 400 in a nearby region, and USD 700 in the metropolitan area. There are 11 industrial parks in Cheong-ju. As availability is low in most of them, four more industrial complexes are currently under construction. Among them, the ideally located Ochang Technopolis, which is scheduled for completion in 2022, was partly designated as a foreign investment zone.

Fourth, it is located in the center of Korea and recognized as a transportation

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