

Foreign Direct Investment

LAM RESEARCH TO BUILD TECHNOLOGY CENTER IN S. KOREA

The South Korean unit of U.S. semiconductor equipment maker Lam Research Corp. will build a technology center in South Korea, officials said Nov. 20.

The Yongin city authorities signed a deal with Lam Research Korea earlier in the day to provide the supplier of wafer fabrication equipment and services with an industrial site in Yongin, about 50 kilometers southeast of Seoul, city officials said.

Lam Research plans to invest about USD 100 million in the new center in Yongin, said an official who is in a position to know about the plan. Yongin is a growing semiconductor cluster in South Korea. SK hynix Inc., South Korea's

second-largest chipmaker, is set to build four semiconductor fabrication plants in Yongin by the end of 2024.

A South Korean government delegation met with executives of Lam Research in Silicon Valley earlier this week to discuss the progress of the investment plan and South Korea's incentives to Lam Research, the official said. He asked not to be identified, citing policy.

The delegation also held an investor meeting with other U.S. companies, including chip gear maker Applied Materials, Intel Corp., Nvidia Corp., Velodyne Lidar—developer of light detection and ranging sensors—and streaming giant Netflix.

ELEMENT AI AIMS FOR FURTHER PARTNERSHIP WITH S. KOREAN FIRMS

Element AI, a Canadian startup for artificial intelligence-powered software solutions, aims to join hands with more South Korean companies to help them adopt its cutting-edge technology, company executives said Nov. 19.

"Element AI was founded on the belief that AI should help people and machines work smarter, together," Co-founder Nicolas Chapados told reporters in Seoul, adding that it is Element AI's goal to help companies tackle challenges of taking AI from the prototype phase to production.

Element AI, which opened a Seoul office in 2018, has so far raised USD 253 million in two rounds of funding globally, the company said.

In 2017, Element AI established a USD 45

million joint fund with major conglomerates that includes top mobile carrier SK Telecom Co., the country's No. 1 carmaker Hyundai Motor Co. and Hanwha Asset Management.

"South Korea is one of the most ambitious markets in adopting AI, and Hanwha Asset Management's investment and our entry into Korea were an important milestone as we continue to expand our presence across the Asia Pacific region," Senior Vice President Philippe Beaudoin said.

In May 2019, Element AI also signed an MOU with Shinhan Financial Group to work together in accelerating Shinhan Financial Group's AI transformation, officials said.

UMICORE SIGNS INVESTMENT CONTRACT WORTH USD 100 MILLION

A global storage battery maker, Umicore, headquartered in Brussels, Belgium, signed an investment contract worth USD 100 million with South Chungcheong Province on Nov. 12.

Umicore, which has already moved into Cheonan general industrial complex, unveiled its plans to scale up its facilities in Korea under the five year investment pact.

The Belgium battery maker is one of the world's top players in cathode materials market,

hiring over 1,700 employees. It earned KRW 4.3 trillion in sales last year alone.

If all goes as planned, the effect on production inducement and value-added creation is estimated to be at KRW 800 billion and KRW 200 billion respectively. The investment also appears to create import substitution which helps the province save as much as KRW 1.8 trillion over the next five years.

Trade & Commerce

S. KOREA EYES STRIKING FTAS WITH 12 MORE COUNTRIES BY 2022

South Korea's trade ministry said Nov. 21 it plans to strike free trade agreements (FTAs) with 12 more countries by 2022, which will further allow Asia's No. 4 economy to expand its presence covering around 90 percent of the world's combined gross domestic product with its FTAs.

"Amid growing protectionism around the globe, and growing tension between the United States and China, South Korea will focus efforts on penetrating into new markets," Trade Minis-

ter Yoo Myung-hee said during a meeting with officials from trade-related organizations.

South Korea, which has implemented or struck 18 sets of FTAs with 58 countries as of November, said it plans to expand the network to cover a whopping 70 countries by the end of 2022.

When completed, South Korea will have a free trade network to cover around 90 percent of the world's combined GDP.

S. KOREA'S TRADE WITH ASEAN NATIONS UP TWENTYFOLD SINCE '80S

South Korea's trade with Southeast Asian countries soared around twentyfold this year compared to the 1980s, data showed Nov. 24, as they emerged as major trading partners of Asia's No. 4 economy.

The combined exports to the 10 members of ASEAN reached USD 80 billion over the January-October period of 2019, according to the Ministry of Trade, Industry and Energy and the Korea International Trade Association.

Its imports from the countries reached USD

47.4 billion, indicating that South Korea enjoyed a trade surplus of USD 32.6 billion.

In 2018, South Korea's combined exports to the members reached USD 100 billion, with the trade surplus hitting USD 40 billion.

The latest figures are significant as South Korea's exports to ASEAN members reached around USD 3.9 billion in 1989, with imports standing at around USD 4.1 billion, indicating trade jumped around twentyfold through last year.

ASIA-PACIFIC TRADE DEAL TO IMPROVE S. KOREA'S EXPORTS ENVIRONMENT: MINISTER

A mega Asia-Pacific trade pact will improve South Korea's exports environment, the country's industry ministry said Nov. 5.

The Regional Comprehensive Economic Partnership (RCEP) will improve South Korean companies' access to markets in the region, according to Sung Yun-mo, minister of trade, industry and energy, in a meeting with officials and business leaders.

His comments came a day after South Korea, China, Japan and their 12 other regional partners

reached a deal on the pact in Bangkok as part of annual regional meetings hosted by ASEAN.

The agreement involves Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Thailand, Singapore and Vietnam, as well as Australia and New Zealand. The RCEP will herald a mega economic bloc that accounts for half of the world's population and one-third of the total gross domestic product across the globe.

Industry

S. KOREA TO BUILD 1ST SMART CITY IN BUSAN BY 2024

South Korea has begun construction of a major "smart city" Nov. 24 in its southern port of Busan, where all infrastructure facilities will be maintained and controlled based on big data collected through internet of things sensors.

President Moon Jae-in attended the groundbreaking ceremony for the Busan Eco Delta Smart City (EDC), along with several ASEAN leaders, under the slogan, "Smart City Together With ASEAN."

To be built on a 2.8-square-kilometer area of land in western Busan by 2024, the smart city is expected to serve as a cluster for five innovative projects.

Big data, the internet of things, artificial intelligence (AI) and robots will be utilized to improve the quality of residents' lives and tackle urbanization challenges, according to the Ministry of Land, Infrastructure and Transport.

Government & Policy

MOON EYES 'PEOPLE-CENTERED INCLUSIVE' TIES BETWEEN ASEAN, S. KOREA

South Korean President Moon Jae-in presented a three-point vision Nov. 25 for partnerships between his country and the Association of Southeast Asian Nations (ASEAN), attending the CEO Summit here held on the sidelines of their special summit to mark the 30th anniversary of dialogue relations.

Moon stressed the importance of expanding people-to-people exchanges for "people-centered inclusive cooperation" as he delivered a keynote speech at the session attended by around 500 businessmen and government officials from South Korea and ASEAN members.

"Secondly, win-win prosperity and innovative growth" is necessary in response to the Fourth In-

dustrial Revolution, he added.

He pointed out that the New Southern Policy Business Cooperation Center to be set up next year will serve as a cornerstone for promoting South Korean firms' launch of businesses in ASEAN countries and enhancing the competitiveness of ASEAN companies.

He also emphasized the importance of strengthening connectivity in order to take bilateral economic relations to the next level.

Moon also reaffirmed South Korea's commitment to supporting the construction of infrastructure in ASEAN on the basis of its strengths in the transportation, energy and smart city fields.