

Foreign Direct Investment

Regulator says 16 fintech firms attract over 136 bln won in investment

South Korea's financial regulator said on May 14 that 16 fintech firms and startups have attracted a combined KRW 136.4 billion (USD 111 million) in investment over the past year as the country is pushing to promote the fintech industry.

The investments came a year after South Korea introduced a regulatory sandbox meant to allow fintech firms using new technologies, such as blockchain and big data, to develop new financial services without regulatory hurdles.

The move came as South Korea is counting

on fintech to reinvigorate its financial industry, which has been struggling with slow growth and thin margins. The Financial Services Commission (FSC) said fintech firms and startups plan to release a total of 66 services before June.

The commission also said seven fintech companies are pushing to make inroads into 14 countries, including Thailand, Vietnam, Indonesia and Hong Kong, as part of their efforts to become unicorns.

BMW unveils face-lifted 5, 6 Series in S. Korea

On May 27, BMW unveiled the face-lifted 5 and 6 Series models in South Korea to show its "strong and unwavering" commitment to the Northeast Asian market due to robust demand for its models.

The German carmaker held a digital world premiere at its driving center in Incheon, just west of Seoul, to reveal the upgraded BMW 523d sedan, the 530e plug-in hybrid sedan, and the BMW 640i xDrive Gran Turismo model, BMW Korea said in a statement.

"The fact that we can even host this event to-

day at the Driving Center, underscores the decisive and comprehensive actions taken by Korea at an early stage, to slow the spread of the coronavirus," Pieter Nota, head of BMW sales, said in an online message for the event.

He underlined the importance of the Korean market, as the nation topped all other countries in terms of sales of BMW 5 Series models in Korea from January to April. BMW said it plans to launch the three upgraded models in Korea in the fourth quarter of this year.

Industry

S. Korea to build more hydrogen-producing facilities

South Korea said on May 19 it plans to build more hydrogen production facilities across the country that will be able to power nearly 50,000 cars annually, in line with its latest green energy vision that centers on slowly breaking away from fossil fuels.

The five new facilities, to be built in Busan, Daejeon and three other cities, will utilize liquefied natural gas (LNG) to produce 7,400 tons of hydrogen annually, according to the Ministry of Trade, Industry and Energy. The amount of hydrogen will be sufficient to power 760 buses or

49,000 passenger vehicles.

South Korea, which plans to increase the accumulated number of hydrogen passenger cars here to 15,158 units by the end of this year, eventually aims to have 2.7 million of such automobiles running by 2040.

The country, which had just nine charging stations for hydrogen-powered cars in 2016, had a total of 34 such stations as of 2019. It plans to add a bunch more to have 310 units by 2022 and a whopping 1,200 in 2040.

Seoul city to operate 10 self-driving vehicles, robots in general traffic

The Seoul metropolitan government said on May 12 it plans to operate 10 unmanned vehicles and robots in the city's western region, as the capital of one of the world's most wired nations beefs up its smart mobility infrastructure.

The city said it will begin operating three minibuses, four sedans and three item delivery robots in the streets of Seoul's Sangam neighborhood. The vehicles will travel along general traffic in an uncontrolled environment. The program will be limited to the Sangam neighborhood.

The vehicles and robots are equipped with

high-tech sensors and 5G antennas, which can detect traffic signal information every 0.1 second, to prevent traffic accidents. The self-driving minibuses will run along a 3.3-kilometer route starting from Digital Media City Station for six days a week.

Starting June 8, the buses will be open to the public for free through applications via the website <http://topis.seoul.go.kr>. The city also plans to later receive trial applications from the public for self-parking and delivery robots.

Trade & Commerce

S. Korea's Q1 exports of new-industry goods soar despite virus

South Korea's first-quarter exports of eight new-industry goods jumped despite a drop in overall exports due to the new coronavirus pandemic, data showed on May 22.

Overseas shipments of those products came to USD 21 billion in the January-March period, up 17 percent from a year earlier, according to the data from the Korea International Trade Association (KITA).

They include next-generation semiconductors,

biohealth products, electric vehicles, new-energy goods, robots, aviation products and drones, advanced new materials and next-generation displays.

Exports of next-generation chips soared 23 percent on-year, with those of biohealth products surging nearly 26 percent due to the pandemic. Comparable growth figures were 38 percent for drones and aviation goods, and about 25 percent for electric vehicles.

S. Korea's exports of virus test kits tipped to grow further

South Korea's exports of coronavirus test kits are expected to gather momentum down the road thanks to high overseas demand, industry sources said on May 21.

With the coronavirus outbreak raging across the globe, many affected countries are scrambling to import South Korean COVID-19 test kits, in a boon to local manufacturers.

According to the Ministry of Food and Drug Safety, 72 test kits manufactured by 46 companies have been approved for exports. The figure

includes six products that have won approval for emergency use locally.

Export figures are a testament to high overseas demand for South Korean test kits. The value of test kit exports came to USD 201.2 million in April, a more than eightfold jump from USD 24 million in March, according to the data from the Korea Customs Service. In the first four months of this year, South Korea exported USD 225 million worth of coronavirus test kits to a total of 103 nations.

S. Korea to expand ties with trade partners in post-pandemic era

South Korea will continue to expand ties with major partners around the globe, as the country braces for the looming "economic nationalism" in the face of the new coronavirus pandemic, the country's top trade official said on May 20.

During a meeting with business officials, including Samsung Electronics Co. and Hyundai Motor Co., Trade Minister Yoo Myung-hee stressed that South Korea's major trade partners will lean further toward protectionism as they strive to recover from the economic aftermath of

the new coronavirus pandemic.

But the country will work closely with key partners to normalize the exchange of goods and travel of essential workforces while drawing up a contingency plan on international trade and investment in case of another crisis like the latest pandemic. Earlier this month, Seoul also adopted a joint statement on allowing essential travel during the COVID-19 pandemic with Singapore, Canada, Australia and New Zealand.

Government & Policy

Moon confident about S. Korea's digital powerhouse vision

President Moon Jae-in stressed the need on May 21 to safeguard jobs and the industrial ecosystem amid the COVID-19 crisis, speaking at a meeting with business leaders here.

Moon pointed out that South Korea has turned crises into opportunities. "Both industries and jobs are in crisis situations but we have opened a new future, overcoming such a crisis," he said at the beginning of the session held at the Korea International Trade Association in southern Seoul.

During the financial meltdown in the late 1990s, the government fostered the information technology industry; it promoted the green growth sector in response to the 2008 global financial crisis, he noted.

"I am confident that South Korea will be reborn as a power player in the digital economy era by overcoming the industrial crisis caused by the (new) coronavirus" on the basis of concerted efforts by the government, companies and the people, Moon added.

Participants included the CEOs of 17 major firms in such industries as aviation, shipbuilding, automobile, machinery and communication, as well as representatives from business lobby groups.

He said it is important to protect jobs and the entire industrial ecosystem with a can-do spirit. The president reaffirmed a swift push for the Korean version of the New Deal, which has a focus on the fields of digital and green projects.