



# Smart Innovation & Safe Growth with Korea

## KOTRA kicks off contact-free Invest KOREA Week (IKW) 2020

The Korea Trade-Investment Promotion Agency (KOTRA) celebrated the kickoff of its annual investment promotion event called Invest KOREA Week (IKW) 2020 on Nov. 11. The event, marking its 16th anniversary, was launched to inform investors and business partners across the world on Korea's attractive investment environment. This year, due to the COVID-19 pandemic, IKW was held virtually on Nov. 11-18 via Arirang TV and other online platforms.

IKW is the largest Investor Relations (IR) forum in Korea, as part of flagship events sponsored by the Ministry of Trade, Industry and Energy (MOTIE), KOTRA and the Korea International Broadcasting Foundation (KIBF).

A variety of programs such as the Global Innovation Forum, Forum on Leading Industries of Korea, a business partnering session, a briefing session to introduce promising industries in Korea and the Foreign Press Conference took

place during the week-long event. Notably, at the Global Innovative Forum, speakers delivered presentations on Korea's investment climate and COVID-19 disease control measures, which have been the key in successfully flattening the epidemic curve in the country.

In celebration of the opening of this year's event, Sung Yunmo, the industry minister of Korea delivered his welcoming remarks online, underscoring Korea's business environment as ideal for investment, never having had to shut down its economy even in these difficult times.

In addition, KOTRA held a business partnering session comprised of one-on-one pre-arranged virtual business meetings, during which nearly 140 local companies were matched with potential investors and venture capitalists worldwide.

You can watch the entire IKW 2020 event on the "KOTRA Business Channel" on YouTube.

## Global Innovation Forum (Nov.11)

### Changes in the global investment environment and Korea's response strategy

#### Korea, Turning Crisis into Opportunity

The Global Innovation Forum was the opening event of IKW 2020. The 120-minute forum consisted of video meetings, presentations and panel discussions. Kwon Pyung-oh, CEO of KOTRA, gave an opening address, in which he mentioned that Korea is rather successfully coping with the COVID-19 pandemic through its successful disease prevention efforts and preemptive economic policies. He went on to emphasize that as the importance of non-face-to-face services and new technologies such as AI are expected to continue to grow in the COVID-19 era, we need the wisdom of turning crisis into opportunity by attracting foreign investment.

In his welcoming address, Sung Yun-mo, Minister of Trade, Industry and Energy, said that the Ministry will continue to actively support uninterrupted business activities of companies and strongly push ahead with the “World Factory of High-Tech Industries” policy and the “Korean New Deal” policy.

#### Reorganization of Global Value Chain Induced by COVID-19

After the opening and welcoming addresses, IKW 2020 continued on, featuring video meetings with James Zhan, Director of Investment and Enterprise at the United Nations Conference on Trade and Development (UNCTAD), and Jacopo Dettoni, chief editor of FDI Magazine. James Zhan said that the COVID-19 pandemic has revealed serious flaws in the functional aspects of the global value chain, and predicted that we will continue to see changes in the global value chain, including offshoring, nearshoring and RVC differentiation.

Jacopo Dettoni, chief editor of the FDI Magazine published by the Financial Times, said that supply chain restructuring of global companies is being identified and that, going forward, the green economy will be an important key in setting the direction for overcoming the COVID-19 crisis.

#### Post COVID-19 Industry Keywords: Smartization, Innovation, Stability and D.N.A

The video meetings were followed by presentations by Shawn Chang, head of Invest Korea, and Sung-roh Yoon, Chairperson of Presidential Committee on the Fourth Industrial Revolution. Mr. Chang presented three keywords for investment in Korea: Smartization, Innovation and Stability. He emphasized that such three strengths of the Korean economy proven through the COVID-19 crisis will serve as the growth engine of the global economy.

Chairperson Yun gave a presentation on the Korean New Deal policy, and said that the three letters, “D” (Data), “N” (Network), and “A” (AI) will be critical in ushering in the post COVID-19 era.

#### Panel Discussion: Korea's Response Strategy and Direction for the Next Wave of Digital Transformation in the Age of COVID-19

In the following session, the panelists had valuable discussion on the subject of, “The Era of Post COVID-19 and Digital Transformation, What's Korea's Solution?” The panel included Hwye-chang Moon, Honorary Professor, Graduate School of International Studies of Seoul National University; James Kim, President of AMCHAM; Jim Falteisek, President of 3M Korea; Eric John, President of Boeing Korea; and Julian Klaus, Head of Technology Office Korea, BMW Group Korea—who were all present in-person—as well as Willam Chen, vice president of Global Wafers, who was joining online.

The panel unanimously highly assessed the Korean government's successful response to the COVID-19 pandemic as well as the fact that Korea is continuing its economic activities nearly without any type of lockdown.

There was also an exchange of various views on the Korean New Deal policy. Professor Moon said that the two major axes of the Korean version of the New Deal are the Digital New Deal and the Green New Deal, noting that digital innovation is expected to contribute to the increase in foreign investment as it is progressing at the fastest speed in Korea. James Kim, President of AMCHAM, also said that the partnership between American companies and Korean companies with their strong IT capabilities will grow even stronger, and the emphasis put on digital innovation since the outbreak of COVID-19 is creating more opportunities for cooperation.

The last agenda was “Materials, Parts, and Equipment 2.0.” Participants from foreign-invested companies all agreed that Korea is potentially an attractive investment destination in the areas of materials, parts and equipment, with advanced materials company 3M saying that the Digital New Deal policy will have positive effects on its future business expansion in Korea.



## EVENT OVERVIEW

### Forum on Leading Industries of Korea (Nov. 11)

**Reasons for investing in Korea: Industries and examples of successful investment**

#### Interview with Jim Rogers, Renowned American Investor

The Forum on Leading Industries of Korea began its 90-minute session after the Global Innovation Forum, starting with an interview with Jim Rogers, a world-famous investor. Rogers commented on both the crisis and opportunities caused by the COVID-19 pandemic, and introduced Korea as a country where new innovations always emerge. He pointed out Korea's travel, tourism and graphene sectors as the areas in which he is interested in making investments and predicted that graphene will be one of the best innovations in the 21st century. He also mentioned that Korea is implementing policies focused on opening up the economy in the future such as the designation of free economic zones, and said that more free economic zones would be helpful.

#### Panel discussion: Impact of COVID-19 on Investment Climate and Decision-making

After the interview with Jim Rogers, a panel discussion session began with panel members including Jin-chul Kim, honorary ambassador of foreign investment promotion for Korea (former President of BASF Korea); Sae-Keun Yoo, Chairman of Foreign Company Association in Korea; John Elliott, President of the Busan New Container Terminal; Joon-ho Choi, General Manager of Cytiva Korea Commercial;

and Dong-joon Ihm, Executive chairman of Umicore Korea. The topic of the panel discussion was the "Changes in the post COVID-19 Investment Environment and Factors in Investment Decision-making."

John Elliott said that Korea has shown great resilience on the back of the Korean government's aggressive and proactive approach in tackling the virus. He noted that he was impressed by the Free Economic Zone Administration and cited the country's outstanding human resources as the reason the world is paying attention to Korea.

In addition, many reasons were brought up as to why the world is looking to Korea as an attractive investment destination. Some of the reasons were that Korea is the world's best test bed; it is easy to build a global value chain centered on promising startups; Korea has a number of industrial clusters with competitiveness; and that the Korean government provides active support and is implementing the Digital, Green, and Regional New Deal policies.

\*In the December issue, we will cover the Foreign Press Conference 2020, which was held on Oct. 20 at the Korea Press Center and broadcast online on Nov. 13, 2020. Major foreign media such as the Wall Street Journal and Le Figaro attended the event and asked questions about Korea's COVID-19 response policy, post COVID-19 FDI policy, and the Digital New Deal policy.

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