

BMW Korea signs MOU to build R&D center by 2023

BMW Group Korea said on Dec. 16 that it has signed an initial pact with a provincial government to build a research and development center to provide advanced mobility services to local customers.

BMW Korea signed a memorandum of understanding with the Incheon metropolitan city and the Korean Free Economic Zones to build the BMW R&D Center Korea in the Cheongna Incheon Hi-Tech Park by 2023 to advance R&D projects involving autonomous driving, connectivity and electrification, the company said in a statement.

"BMW Korea will cooperate with its German parent group and Korean companies in developing future mobility technologies in the new center," it said.

BMW has had an R&D unit within the BMW Driving Center in Incheon, 40 kilometers west of Seoul, since 2015. It was the company's fifth overseas R&D facility after ones in the United States, China, Japan and Brazil, the statement said.

The existing R&D unit will be absorbed by the new R&D center, BMW said.

Industry

Industrial output rises by most in 17 months in Nov. amid economic recovery

S. Korea's industrial output increased by the most in 17 months in November in the latest sign that economic recovery momentum has been extended despite the pandemic, data showed on Dec. 30.

Industrial output grew 3.2 percent in November from the previous month, a turnaround from a 1.9 percent on-month fall in October, according to the data compiled by Statistics Korea. It marked the largest on-month gain since June 2020, when industrial output went up 3.9 percent.

The rebound came after industrial output

fell by the most in 18 months in October due to fewer working days and global supply chain bottlenecks.

From a year earlier, industrial output rose 5.3 percent in November.

The statistics agency said industrial output rebounded on the back of robust production in the manufacturing and service sectors despite a fall in private spending.

"The economic recovery is on track to gain momentum," Eo Woon-sun, a senior Statistics Korea official, told reporters.

OECD ups 2022 growth outlook for S. Korean economy to 3 pct

The Organization for Economic Cooperation and Development (OECD) on Dec. 1 revised up its 2022 growth outlook for the S. Korean economy to 3 percent, citing robust exports and a recovery of private spending.

The OECD's 2022 outlook for Asia's fourth-largest economy was raised from its September estimate of 2.9 percent. The Paris-based organization maintained its 2021 growth projection for Korea at 4 percent. Its 2023 economic outlook for Korea came to 2.7 percent.

The OECD's 2022 forecast is on par with the growth estimates by the Korean govern-

ment and the Bank of Korea (BOK).

The OECD said S. Korea's economic growth is expected to be "stable through 2023."

"The Korean economy continues to recover following the COVID-19 shock, propelled by strong export growth, improving business investment and public support," the OECD said.

The outlook for Korea came even as the OECD revised down its 2021 growth forecasts for major economies, including the United States, the eurozone, China and Japan.

The S. Korean economy is on a recovery track on the back of solid exports despite the latest spike in COVID-19 cases.

Trade & Commerce

Exports rise 20 pct in first 20 days of Dec.

S. Korea's exports grew 20 percent on-year in the first 20 days of December on the back of solid demand for chips and petroleum products, customs data showed on Dec. 21.

The country's outbound shipments stood at USD 36.9 billion in the Dec. 1-20 period, compared with USD 30.7 billion a year earlier, according to the data from the Korea Customs Service.

Imports jumped 42.1 percent on-year to USD 39.6 billion, resulting in a trade deficit of USD 2.66 billion during the cited period, the data showed.

S. Korea to submit application for CPTPP in April: finance minister

S. Korea will push to submit an official application to join a mega Asia-Pacific free trade agreement in April next year by speeding up the process of collecting public opinions and building social consensus, the country's top economic policymaker said on Dec. 27.

The government earlier said that it had begun the process to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) involving 11 nations as part of efforts to diversify its export portfolio.

Finance Minister Hong Nam-ki said in a

meeting with other export and trade-related officials that a task force composed of relevant ministries will discuss countermeasures to handle the impact of joining the CPTPP and contact its member countries, while pushing to submit an official application to accede to the trade agreement in the middle of April.

The CPTPP is the renegotiated version of the Trans-Pacific Partnership (TPP) led by the former U.S. President Barack Obama administration.

Exports, which account for half of the economy, grew 32 percent on-year to a record high of USD 60.44 billion in November, extending their gains to the 13th straight month.

The country's exports are set to exceed USD 640 billion this year, hitting a record high. The government set the annual target of exports at around USD 660 billion for next year.

The Bank of Korea forecast Asia's fourth-largest economy will expand 4 percent this year and grow 3 percent next year. The finance ministry expects the Korean economy to grow 3.1 percent in 2022.

Government & Policy

Gov't to improve regulations for commercial adoption of self-driving cars

The government unveiled a revised road map on improving regulations for self-driving cars on Dec. 23 to hasten their commercial adoption starting next year.

The road map, confirmed at an interagency government meeting earlier in the day, came as S. Korea is expected to see a fast adoption of autonomous driving for commercial vehicles beginning in 2022, starting with the launch of Level 3 self-driving cars—made for conditional driving automation that requires human intervention.

The government expects Level 4 autonomous vehicles, capable of high automation with little need for human input, to be widely adopted in the country by 2027.

Under the road map, the government will take a phased approach by adding and upgrading regulations and laws related to technology, communications and insurance in steps in order to meet the standards and structure as-

sociated with operating autonomous vehicles, according to the Ministry of Land, Infrastructure and Transport.

Over the next two years, the government will start allowing self-driving software to be upgraded wirelessly outside of maintenance stores, as well as upgrading the authentication process to enhance overall security systems.

Between 2024 and 2026, the government will focus on devising a legal framework for Level 4 self-driving vehicles in terms of insurance policy and traffic systems so as to provide clear standards for legal responsibilities.

The land ministry will also apply "a regulation sandbox," or a grace period on regulations, to the mobility sector in order to support autonomous driving in the passenger and freight sectors.

According to the ministry, detailed action plans for regulation improvements will be announced in the first half of next year.