

Merck to build new Asia Pacific bioprocessing center in S. Korea

Merck Life Science, a global pharmaceutical company headquartered in Germany, is set to invest hundreds of billions of won to build a biopharmaceutical production base in Daejeon, some 140 kilometers south of Seoul.

S. Korea's Ministry of Trade, Industry and Energy and Daejeon City signed a memorandum of understanding (MoU) with Merck on May 3 to build a new Asia-Pacific bioprocess-

ing center in Daejeon.

The scale of Merck's investment has not been disclosed in detail, but industry insiders expect it to reach hundreds of billions of won. The German-based pharmaceutical company plans to finalize the investment within the year and if construction starts immediately, the facility is expected to be operational as early as 2025.

Six U.S. advanced technology firms announce plan to invest \$1.9 bn in S. Korea

Six U.S. advanced technology firms on April 25 announced plans to invest a combined USD 1.9 billion in S. Korea in the areas of hydrogen fuel, semiconductors and environment-friendly facilities, S. Korea's presidential office said.

The announcement came during an investment ceremony attended by President Yoon Suk Yeol during his ongoing state visit to the United States.

The six companies are Air Products and Plug Power from the hydrogen fuel sector;

onsemi and Greene Tweed from the semiconductor sector; and PureCycle Technologies and EMP Belstar from the environment-friendly business, the presidential office said in a press release.

The companies plan to build production facilities in S. Korea, which will help strengthen the two countries' cooperation on supply chains and advanced technologies and contribute to the transition to an environment-friendly energy and industrial structure, according to the presidential office.

Netflix announces plan to invest \$2.5 bn in S. Korea

Netflix said April 24 it will invest USD 2.5 billion in S. Korea over the next four years to produce Korean TV series, movies and scripted shows.

The U.S. streaming service announced the plan following a meeting between S. Korean President Yoon Suk Yeol and Netflix co-CEO Ted Sarandos after Yoon arrived in Washington for a state visit.

Sarandos said the sum is twice the amount Netflix has invested in S. Korea since it started there in 2016. Citing Korean hits, such as

"Squid Game," "The Glory" and "Physical 100," he also said stories produced by Korean creators are "now at the heart of the global cultural zeitgeist."

S. Korea's culture ministry said in a release that the investment is the largest ever to be made in the country's content industry and will help create 68,000 jobs. The ministry also said it will help strengthen the capabilities of domestic production companies and increase their chances of advancing to the global market.

Trade & Commerce

Farm goods exports hit record high in Q1

S. Korea's exports of agriculture products reached an all-time high in the first quarter of the year on the back of strong demand for kimchi and processed foods, data showed on April 2.

The record amount of USD 1.98 billion represents a 13.7 percent rise from the previous year, according to data compiled by the Ministry of Agriculture, Food and Rural Affairs.

By category, outbound shipments of fresh products remained sluggish, but those of processed goods increased 9.3 percent to hit USD 359 million.

The ministry said exports of kimchi, a traditional Korean side dish usually made of fermented cabbage, salt and hot peppers, soared 54.4 percent to reach USD 47 million. Outbound shipments of ginseng-related products, widely consumed as health supplements in S. Korea, also grew to reach USD 230 million last year amid the growing popularity of health products during the pandemic. Exports of processed rice goods, such as home meals like porridge, grew 14.7 percent to USD 1.62 billion, while those of instant noodles gained 18.9 percent to USD 157 million.

Industry

S. Korea's data market is estimated at \$19 bn last year

According to the results of a survey on the current status of the data industry in 2022, released by the Ministry of Science and ICT and the Korea Data Agency on April 18, the size of the data market in 2021 was estimated to be KRW 22.9 trillion (USD 17.37 billion), and the estimated figure for last year was KRW 25.05 trillion (USD 19.0 billion).

The ministry reported that the size of the market has shown a steady growth rate of

11.9 percent on average over the past three years. The number of people working in the data industry last year increased by 12,000 from the previous year to 406,000.

The survey was conducted by surveying a sample of 1,375 data industry companies selected from among 8,940 companies and 1,200 other industry samples through a questionnaire.

Online sales of travel services more than double in Q1 on eased virus curbs

Online sales of travel and transportation services more than doubled on-year in the first quarter of 2023 on eased COVID-19 restrictions, data showed on May 1.

The value of online transactions of travel and transportation services amounted to KRW 5.51 trillion (USD 4.11 billion) during the

January-March period, compared with KRW 2.6 trillion tallied a year earlier, according to data from Statistics Korea.

It is the largest amount since the statistics agency began compiling related data in 2017, and the growth was also the sharpest ever.

Government & Policy

Korea to grant subsidies to foreign companies investing in advanced technologies

The Ministry of Trade, Industry and Energy on April 26 held a committee meeting to discuss cash incentives for foreign investment in Korea. The ministry expanded the eligibility for cash support by adding foreign investments in the national advanced strategic technology to the list of subsidy recipients.

The national advanced strategic technology, which is different from the national strategic technology under the Special Taxation Limitation Act, refers to a group of 15 core technologies related to chips, displays, and

secondary batteries. They include the technology of design, processing, and device tech for DRAMs and three-dimensional lamination.

Foreign companies will become eligible for cash subsidies worth up to 50 percent of their total investments in national advanced strategic technology. The government's share of funding for advanced strategic technology will also be raised by 10 percentage points to 50 percent for investment facilities located in the Seoul Metropolitan area and to 80 percent for those in the rest of the regions in the country.

S. Korea to inject \$15 bn in rechargeable battery sector by 2030

S. Korea will invest KRW 20 trillion (USD 15.1 billion) in the rechargeable battery sector by 2030 to widen its technology gap with global competitors, President Yoon Suk Yeol said at a meeting with business leaders on April 20.

At the meeting, Lee Chang-yang, Minister of Trade, Industry and Energy, announced a plan to start manufacturing next-generation batteries, such as solid-state batteries, 4680-

type cylindrical batteries and cobalt-free batteries, in Korea and mass produce them overseas.

Among the attendees were Kwon Young-soo, vice chairman of LG Energy Solution, Ji Dong-seob, chief executive of SK On Co., Choi Yoon-ho, chief executive of Samsung SDI Co., and Chang Jae-hoon, executive vice president of Hyundai Motor Co.