Feature Story

One-on-One with Thomas Byrne
Honorary Ambassador of Foreign Investment Promotion for Korea
President & CEO of the Korea Society

National Strategy to Foster High-Tech Industry: Semiconductor
Korea’s Semiconductor Industry: Taking Another Leap Forward to Rise as a Semiconductor Superpower
Gwangju Science Valley, the Only Optical Industry Cluster in Korea
Economic Trends

Here’s a look at Korea’s major economic indicators that provide an overview of the country’s recent economic developments.

Summary and Assessment*

■ The contraction in the Korean economy is gradually moderating.
  ● Services production continues on a modest upward trajectory, and the sluggishness in manufacturing production is showing signs of moderation, led by semiconductors.
    - The service industry continued a robust trend in employment, while the manufacturing industry witnessed a reduced decline in production and a decrease in inventory.
    - In particular, semiconductors, a significant factor contributing to the slowdown, exhibited signs of easing with a substantial increase in export volumes.
    - Furthermore, both the CCSI and the BSI for manufacturing and non-manufacturing sectors recorded modest increases.
  ● However, strong downside risks persist for the global economy, including rising commodity prices and a delayed resurgence in China’s economy.
    - Concerns over a surge in grain prices have been heightened due to geopolitical factors such as Russia’s invasion of Ukraine and poor weather conditions, in addition to recent oil price hikes.
    - Amid the ongoing sluggishness of global manufacturing, China seems to be experiencing increased downside risks, primarily centered around its real estate market.

* All growth figures are on a year-on-year basis unless otherwise noted. This document is an English translation of the original Korean version; the Korean version takes precedence in case of any ambiguities or discrepancies.
**Economic Activity:** Economic activity is showing signs of a gradual reduction in sluggishness, with manufacturing experiencing a slowing decline and services maintaining a modest increase.

- June’s all-industry production recorded a 1.1% growth, higher than the previous month (-1.1%).
  - Industrial production (-7.6% → -5.6%) showed a diminished contraction, bolstered by sustained robust growth in automobiles (18.7% → 10.8%) and attenuated declines in semiconductors (-18.7% → -15.9%), electronic parts (-19.9% → -12.2%), and chemical products (-16.7% → -10.4%).
  - Services production (1.9% → 3.5%) sustained a gradual increase, led by financial and insurance services (8.3% → 10.1%), transport and warehousing (8.4% → 7.4%) professional, scientific, and technical activities (1.7% → 4.0%).
- The average capacity utilization rate in manufacturing (72.8% → 71.9%) persisted at a low level, but the inventory-to-shipment ratio declined significantly (122.7% → 111.4%), signaling a slackening in the sluggish trend.
  - The decline in the inventory-to-shipment ratio came as shipments rose by 3.3% MoM and inventories declined by 6.2%.
- The slump in the semiconductor cycle is showing signs of abating, with sustained improvement in business sentiment indices.
  - A growing number of indicators hint at an easing downturn in the semiconductor market, evidenced by escalating shipment and inventory indices and a surge in export volume, concurrent with the waning decline in semiconductor production
  * Semiconductor production (%): (Apr.) -21.6 → (May) -18.7 → (Jun.) -15.9
  * Semiconductor shipment (%): (Apr.) -33.5 → (May) -20.5 → (Jun.) 15.6
  * Semiconductor inventory (%): (Apr.) 79.1 → (May) 80.7 → (Jun.) 49.1
  * Semiconductor export volume index (%): (Apr.) -1.3 → (May) 8.1 → (Jun.) 21.6
  - Exports maintained a trend similar to the previous month when excluding temporary factors, and both manufacturing and non-manufacturing sectors showed a modest recovery in business sentiment.

**Consumption:** The Composite Consumer Sentiment Index (CCSI) maintains its upward trajectory, paralleled by significant growth in passenger car retail sales, signaling a partial alleviation of the consumption downturn.

- Retail sales, indicative of goods consumption, registered a 1.4% growth in June, driven by durable goods, surpassing the previous month’s -0.6% and showing a 1.0% MoM increase, suggesting a softening contraction.
- Services production rose by 3.5%, higher than the previous month (1.9%), which implies a possibility of continued modest growth in service consumption.
- The CCSI pursued its ascension in July, recording 103.2.

**Equipment Investment:** The decline in equipment investment temporarily slowed, influenced by transport equipment, while sluggish leading indicators suggest that future demand for equipment investment may be limited.

- June’s equipment investment recorded a -0.6% growth, led by transport equipment, exhibiting a less pronounced decline than the previous month’s -4.5%.
- The manufacturing average capacity utilization rate (72.8% → 71.9%) remained low, and leading indicators related to equipment investment exhibited sluggishness.
Construction Investment: Construction investment sustained high growth largely due to the base effect, though the sluggishness in leading indicators signals limited growth in construction investment going forward.

- June’s value of completed construction (constant) registered an 8.9% growth, outperforming the previous month’s 6.1%.
- In contrast, construction orders received (current, -42.7%), a leading indicator, showed a significant plunge, with sluggishness persisting in housing permits and starts, suggesting a potential slowdown in construction investment.

Prices: Headline inflation fell sharply, reflecting both temporary factors such as the base effect and diminishing supply-side inflationary pressures.

- July’s headline inflation came in at 2.3%, lower than the previous month’s 2.7%, with price growth decelerating across all categories.
- Nonetheless, July’s drop in inflation also reflects the base effect from last year’s inflation peak (6.3%). Considering escalating oil prices and reduced harvest yield, inflationary pressures could intensify in certain categories.

### Major Economic Indicators

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<td>III</td>
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<tr>
<td>All Industry Production</td>
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<td>Service Production</td>
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<td>Retail Sales Index</td>
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<td>Index of Equipment Investment</td>
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<td>3.3</td>
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<td>Value of Construction Completed (Constant Price)</td>
<td>-6.7</td>
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<td>Exports (f.o.b.)</td>
<td>25.7</td>
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<tr>
<td>Imports (c.i.f.)</td>
<td>31.5</td>
<td>18.9</td>
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<td>Balance of Trade (Billion US Dollars)</td>
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<td>-47.8</td>
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<td>Unemployment Rate</td>
<td>3.7</td>
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<td>Number of Employed</td>
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<tr>
<td>Consumer Price</td>
<td>2.5</td>
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<td>3-year Treasury Bonds</td>
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<td>Housing Price</td>
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<td>Won/Dollar Exchange Rate</td>
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<td>G20 Composite Leading Indicator</td>
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<td>Oil Prices (Dubai, US$/bbl)</td>
<td>69.4</td>
<td>80.3</td>
<td>70.3</td>
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Source: Korea Development Institute, “Monthly Economic Trends” (www.kdi.re.kr)
South Korea’s POSCO E&C, formerly POSCO Engineering and Construction, and a Norwegian company are promoting the Ulsan Firefly project, the world’s largest for floating offshore wind power.

POSCO E&C on Aug. 24 said it signed the day before an agreement for the venture with Equinor, a global leader in offshore wind power. Their objective is to produce electricity by building a floating offshore wind power plant of 750 megawatts 70 kilometers off the coast of Ulsan, a scale sufficient enough to power all households in the coastal city.

The two companies will form strategic ties in development, construction and transportation for the project and others in domestic offshore wind power.

The South Korean government has launched efforts to remove regulations that have hindered business investment. Korean President Yoon Suk Yeol presided over the 4th conference on regulatory innovation and strategy in Seoul on Aug. 24 and said, “Investment-killing regulations should be removed at a rapid pace for the sake of the private economy.”

In an effort to resolve labor shortage at industrial sites, the government has decided to allow non-specialized foreign workers to work for 10 years after entering the country and drastically reduce sectoral restrictions at 1,274 industrial complexes nationwide.

The Ministry of Justice and the Ministry of Employment and Labor have overhauled the system to increase the influx of foreign workers amid a shrinking population and job vacancies. Non-specialist foreign workers with E-9 visas were previously required to leave the country after working for four years and 10 months, but they will now be allowed to work for 10 years without leaving the country.

In addition, the quota for skilled laborers with E-7-4 visas, which was about 2,000 last year, will be increased 17.5 times to 35,000 this year, and the E-9 quota will be increased to 120,000 from 110,000.

Meanwhile, the Ministry of Trade, Industry, and Energy and the Ministry of Land, Infrastructure, and Transport will expand the range of sectors that can move into industrial complexes to actively encourage high-tech and new industry companies to move in and invest. Currently, about 120,000 companies are located at 1,274 industrial complexes nationwide.

The Korea Institute for Industrial Economics & Trade estimated that the easing of industrial complex entry regulations will generate more than 24.4 trillion won ($18.42 billion) investment over 10 years.
S. Korea retakes No. 1 spot in global shipbuilding orders in July

South Korea recaptured the top spot in new global shipbuilding orders for the first time in five months in July, industry data showed on Aug. 14.

Local shipyards clinched orders totaling 1.46 million compensated gross tons (CGTs) to build 29 ships, accounting for 44 percent of the global total of 3.33 million CGTs, according to London-based Clarkson Research Services Ltd.

It marks the first time since February for South Korean shipbuilders to take the leading spot.

S. Korea's duty-free sector expects boom from Chinese tourists' return

South Korea's duty-free stores are over the moon thanks to the resumption of Chinese group tours after a hiatus of six years and five months, with major chains like the Shilla Duty Free Shop and Lotte Duty Free offering discounts and promotions exclusively for Chinese tourists.

Shilla on Aug. 27 said 31 group tourists brought by the government-run China Youth Travel Service (CYTS) visited the chain's store in Seoul's Jangchung-dong neighborhood the day before.

They entered the country on Aug. 24 under a package tour planned by the Korea Tourism Organization and CYTS to mark the 31st anniversary of diplomatic ties between both countries.

The domestic duty-free retail sector is thus engaged in intense competition to grab an early lead on the Chinese group tourism market.

S. Korea to fully open gov't R&D projects to foreign researchers

South Korea's Ministry of Trade, Industry and Energy on Aug. 2 said it will allocate KRW 5 trillion (USD 3.8 billion) of its R&D budget for excellent foreign researchers including those with Korean ancestry.

The ministry will drastically revamp the system, which was run in a closed manner, to allow research institutions abroad with excellent planned projects to directly implement them.

The ministry will also directly issue patents to such researchers after government R&D is carried out, and will also begin exploring R&D demand for domestic companies and foreign researchers and aggressively start joint R&D with the US from early next year.

S. Korea to speed up development of AI chip, UAM sectors

South Korea's finance ministry unveiled a set of measures on Aug. 17 to pave the way for the growth of the country's artificial intelligence chip and urban air mobility (UAM) industries in line with efforts to foster new growth engines.

Under the plan, the country will speed up the establishment of data centers powered by homegrown AI chips and expand financial support for the development of such semiconductor products by fabless firms, according to the Ministry of Economy and Finance.

S. Korea to speed up development of AI chip, UAM sectors

South Korea also said it will establish a task force of government bodies to build a frequency exclusively for the UAM industry to take a leading role in setting global standards.

To speed up the development of self-driving cars, the government said it has revamped privacy laws to allow companies to utilize videos filmed by the automobiles to build a database.

The finance ministry added it plans to designate used EV batteries as a recyclable resource to seek sustainable growth, as current rules define them as disposable waste.
Korea’s Semiconductor Industry: Taking Another Leap Forward to Rise as a Semiconductor Superpower
Global Semiconductor Market and Outlook of Korea’s Semiconductor Exports

Since the 1980s, the semiconductor industry has continued to grow as semiconductors have been used as core components in computers and smartphones, with the global semiconductor market reaching USD 599.6 billion in 2022. The global semiconductor market is expected to decline by 12.3% to USD 525.9 billion in 2023 due to plunging demand for IT products and prices of memory semiconductors, but it is expected to recover to its previous market size in 2024. Korea’s total semiconductor exports reached USD 129.2 billion in 2022, accounting for 18.9% of the country’s total exports. Semiconductors are leading the Korean economy and industry as the country’s No. 1 export product. Due to falling prices of memory semiconductors, which are Korea’s main export item, semiconductor exports in 2023 are expected to reach around USD 100 billion, down 22.6% from the previous year.

Appeal of the Korean Semiconductor Market

Korea has the third largest semiconductor manufacturing facility following China and Taiwan, accounting for about 17.9% of the world's total semiconductor manufacturing capacity. The semiconductor manufacturing capacity of East Asia, combining Japan, Taiwan, and China, is about 79.3% of the global total. Korea with its geographical advantage, provides an optimal investment environment for companies looking to enter the East Asian semiconductor market.

With such sizable semiconductor manufacturing facilities, Korea is investing most actively in semiconductor manufacturing facilities, along with Taiwan and China, forming a huge semiconductor equipment/material market. As of 2022, Korea’s semiconductor equipment market accounted for 24.4% of the global market, and the country’s semiconductor materials market accounted for 18.3% of the global market. Considering that China’s share of 28.8% includes investments of Samsung Elect-
ronics and SK Hynix facilities located in China, the Korean semiconductor equipment/materials market is even larger than the figure suggests. Thus, Korea and Korean companies present great opportunities for producers of semiconductor equipment and materials.

Global Materials, Parts, and Equipment Companies Making Inroads into the Korean Market

Many global producers of materials, parts, and equipment are expanding into Korea to tap into the country’s leading semiconductor industry. Lam Research, a US company specializing in semiconductor etching and deposition equipment, has steadily increased its production in Korea since establishing Lam Research Manufacturing Korea in 2011, and opened a new 5170 m² plant in Hwaseong, Gyeonggi-do in 2021. In 2022, the company plans to open the Lam Research Korea Technology Center to develop key technologies and equipment in Korea, playing an important role in strengthening the Korean semiconductor ecosystem. In addition, ASML, an exclusive supplier of advanced EUV lithography equipment, is building a state-of-the-art EUV cluster in Hwaseong, and semiconductor material manufacturers such as Tokyo Ohka, DuPont, Merck, and Ulvac are increasing their investment for production in Korea. In addition, many Korean small and medium-sized companies operating R&D businesses in each phase of the semiconductor process are collaborating in various projects with global companies doing business in Korea.

Government Policies to Support the Semiconductor Industry

The Korean government announced the K-Semiconductor Strategy (May 2021), the Semiconductor Superpower Strategy (July 2022), and the Strategy for Strengthening the System Semiconductor Ecosystem (March 2023) with a strong commitment to foster the system semiconductor sector as well as memory semiconductor and to emerge as a semiconductor powerhouse in all areas.

With a vision to build the world’s best semiconductor supply chain, the Korean government has increased tax support for investment in semiconductor facilities (15-25%) and R&D (30-50%), and is actively upgrading labor and environmental regulations to boost semi-con-
ductor investment. In addition, the government plans to provide more support in building infrastructure such as water supply and power systems in the semiconductor complexes of Pyeongtaek and Yongin, where the construction of new large-scale semiconductor factories are ongoing.

The government also plans to train 150,000 professionals and supply them to the semiconductor industry by 2030 by reforming regulations and providing financial support. It also plans to facilitate R&D cooperation between companies by forming clusters specializing in each field of semiconductor technologies.


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* The opinions expressed in this article are the author’s own and do not reflect the views of KOTRA.
Government Policy Trends

National Strategy to Foster High-Tech Industry: Semiconductor

The South Korean Government plans to make a quantum leap toward developing a state-of-the-art semiconductor cluster through an investment worth KRW 340 trillion by 2026.

1. The world’s largest semiconductor mega-cluster will be established.
   - A cutting-edge logic semiconductor cluster worth KRW 300 trillion will be built by 2042. (National Industrial Complex)
   - The fabless valley (Pangyo), existing manufacturing complexes (Giheung, Hwaseon, Pyeongtaek, Yongin), national industrial complexes (Yongin) will be connected.
   - Semiconductor mega-cluster → Integration of foundry, memory chip, fabless, and materials, parts, & equipment
   - Up to 150 domestic and foreign companies which are spearheading the fabless and materials, parts, & equipment industries will be located at the cluster, along with an excellent talent pool.

2. Core technologies of next-generation semiconductor will be substantially developed.
   - A KRW 3.2 trillion fund will be provided in R&D for three promising semiconductor areas: electricity, vehicles, and AI.
   - Financial support (KRW 5-8 billion per case) will be granted to projects for matching supply and demand between fabless companies and large companies on the condition of purchase.

3. The ground for growth in the semiconductor industry, including taxation, finance, and human resources will be fortified.
   - 150,000 local talents with bachelor’s or master’s degrees will be nurtured by 2031.
   - Tax credit in CapEx will be expanded and financial support (2023, KRW 100 billion) in infrastructure will be provided.

4. The overall ecosystem of the semiconductor industry that covers design, fabrication, and packaging will be upgraded.
   - 10 fabless companies with sales worth KRW 1 trillion by 2035 will be fostered, upon support provided for promising sectors (electricity, AI, etc.)
   - Semiconductor manufacturing capacity will be enhanced by intensifying cooperation among design house, IP, and foundry.
   - KRW 24 trillion will be invested in establishing a hub of semiconductor packaging to drive advanced packaging technologies.

5. Support to encourage technological cooperation with foreign countries and exports will be provided in order to respond to reshaping supply chains.
   - Technological cooperation that bridges the strengths in manufacturing of Korea and the United States in the areas of design and materials, parts, & equipment will be expanded.
   - With new collaboration centers built in the US (Texas, Silicon Valley), various types of support including the matching of supply and demand, verification, and marketing will be provided.
Industry Trends

Invest KOREA provides an overview of Korea’s monthly industry trends based on the latest data available from the Ministry of Economy and Finance and the Korea Institute for Industrial Economics and Trade. Figures are subject to change and may be updated for accuracy by the respective organizations.

All Industries

In June 2023, Korea’s industrial activities grew for two consecutive months, with all industrial production, retail sales, and equipment investment expenditures increasing. Manufacturing production turned positive for the first time in five quarters.

### Monthly Industrial Activity Trends

<table>
<thead>
<tr>
<th>Subject</th>
<th>All industries</th>
<th>Mining &amp; manufacturing</th>
<th>Service</th>
<th>Retail sales</th>
<th>Equipment investment</th>
<th>Construction completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Change (%)</td>
<td>0.1</td>
<td>Δ1.0</td>
<td>0.5</td>
<td>1.0</td>
<td>0.2</td>
<td>Δ2.5</td>
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In June, production of mining and manufacturing industries fell by 1.0% from the previous month, as the semiconductor industry grew by 3.6% but automotive and petroleum product industries declined by 12.9% and 14.6%, respectively. Service industry production rose by 0.5% as real estate fell by 2.2%, but arts and leisure and finance and insurance industries grew 5.7% and 3.5%, respectively. Retail sales rose by 1.0% from the previous month as sales of semi-durable and non-durable goods fell by 0.1% and 0.3%, respectively, but durable good sales increased by 4.7%. Equipment investment grew by 0.2% as investment in machinery such as video, audio, and communication equipment fell by 0.2%, but investment in transportation equipment such as automobiles grew by 1.6%. Construction investment fell by 2.5% from the previous months due to an 8.0% decrease in civil engineering works. The cyclical change in the coincident index started declining as the retail sales index and imports fell, while the cyclical change in the leading index rose for two straight months, supported by improvements in sub-category indexes, including the inventory cycle index, economic sentiment index, and KOSPI. As difficult real economic conditions persist at home and abroad, downside risks have partially eased recently, but uncertainties remain. On the production side, positive factors include recovering export volumes, falling semiconductor inventories, and launches of major IT new products in Q3. At the same time, persisting global economic uncertainties and temporary disruptions in production due to summer weather conditions burden the economy. In the case of consumption and investment, there are positive factors such as a favorable employment situation, a recovery in household and business sentiment, and a slowdown in inflation. However, the short-term investment adjustment due to semiconductor production cuts, uncertainties in the construction sector, and household debt burden pose risks.
Trends by Industry

Automotive

Imported car sales stopped declining, and domestic sales posted a double-digit growth

In May, production increased by 18.5% year-on-year, driven by solid global demand and expanding domestic market. Domestic consumption in June grew by 11.6% from a year ago as sales increased before the end of the individual consumption tax cut. June exports grew by 41.3% year-on-year, led by stronger exports of eco-friendly vehicles. As Korea exported more eco-friendly vehicles, such as EVs with high export unit prices, and sold more vehicles in the EU region based on improved consumer awareness, exports of finished cars increased by 58.3%.

General machinery

Production continued declining as domestic consumption slowed, but exports grew faster

Despite stronger exports, production in May fell by 6.8% year-on-year on the back of weaker domestic consumption. With domestic shipments falling faster, the decline in domestic consumption has accelerated as capital investment and domestic machinery orders recorded negative growth rates. Imports rose by 1.0% year-on-year to USD 2.836 billion in May. In June, exports rose by 8.1% from a year ago, led by strong exports to most regions except China.

Shipbuilding

Production index slowed, but exports turned positive

Global ship orders in the first half of 2023 decreased by 34.3% year-on-year to 17.81 million CGT as high interest rates, trade wars and environmental regulations aggravated uncertainties in the shipping market, but the newbuilding price index continued to rise to 171.3. Despite a dramatic increase in imports of ship engines and ship parts in May, imports fell by 28.5% year-on-year due to the base effect of declining ship imports from China. Exports rose by 98.6% from a year ago in June, as a large number of container ships, LPG carriers, tankers, and high-end offshore plants were delivered.

Steel

Production decline widened on weak construction demands, but exports turned up

In May, steel production decreased by 2.6% year-on-year as sluggish construction industry weakened demands for bar steel. Imports in May fell by 17.6% from a year ago due to sluggish domestic consumption and falling import unit prices. Exports in June turned to growth, increasing by 3.1% year-on-year based on stronger exports to the US and the Middle East.
Oil refining

Exports declined for four straight months due to declining unit prices and base effect

While production and export volumes increased in May, domestic consumption slowed and resulted in an increase in inventories. By region, exports to major customers such as the US and ASEAN countries plunged year-on-year, affected by falling unit prices.

Semiconductor

Prospects of the semiconductor industry remain uncertain

In May, semiconductor production continued to weaken, with production falling by 16.7% year-on-year and shipments also declining by 20.5%, but the rate of production decline is narrowing. Due to the base effect of record-high exports and production in the first half of last year, this year’s production continues to decline year-on-year, but the rate of decline is narrowing. Compared to the previous quarter, production appears to be stabilizing slowly by posting increases since March. Exports fell by 28.0% from a year ago to USD 8.896 billion in June and decreased for eleven consecutive months after ending a long-term rally.

Wireless communication devices

June exports fell by 12.0%, but demand is expected to recover in the second half of 2023

In May, production decreased by 18.3% year-on-year due to weaker exports, and shipments fell by 5.9% as well. May imports declined by 28.1% from a year ago due to nosediving imports of smartphones and parts. The global smartphone market is expected to weaken in 2023, but a gradual recovery is expected from 2024 as demand recovers from the second half of 2023.

Display

Exports declined for thirteen straight months due to sluggish exports to China

In May, production continued to weaken due to sluggish demands for electronic devices. Sluggish exports to China caused panel exports to fall by 11.1% in June to decrease for thirteen straight months.
One-on-One with
Thomas Byrne

Honorary Ambassador of Foreign Investment Promotion for Korea
President & CEO of the Korea Society
Thomas Byrne, newly appointed as Honorary Ambassador for Foreign Investment Promotion for Korea, is also the President and CEO of The Korea Society, a New York City-based non-profit organization. He holds an M.A. in International Relations from The Johns Hopkins University School of Advanced International Studies, and is currently an adjunct professor at Columbia University and Georgetown University.

Prior to joining The Korea Society in 2015, Byrne was the Singapore-based regional Sovereign Risk Group manager for Asia-Pacific and the Middle East for Moody’s Investors Service, where he worked on the credit rating for the Republic of Korea, among other governments. Before starting his professional career, Byrne served in the US Peace Corps in Korea in a rural county for three years in the late-1970s. For Byrne, this was an amazing experience that immersed him in Korean culture and introduced him to the country’s remarkable economic development story from a first-hand, grass-roots perspective.

Read on to hear about how his career experience contributes to raising awareness on Korea as a favorable investment destination.

“Mr. Byrne, can you tell us about your future plans or ambitions as honorary ambassador?”

One of my ambitions as Honorary Ambassador is to employ the capabilities and network of The Korea Society to heighten awareness of the importance of long-term investment relations between Korea and the US.

The mission of the Society since it was founded by General James A. Van Fleet in 1957 has been to promote awareness, understanding and cooperation between the people of Korea and America. This is just as relevant today, as it was more than six decades ago. This year marks the 70th anniversary of the US-ROK Alliance. The April 2023 summit between Presidents Biden and Yoon produced the...
Korea is a global leader in infrastructure—it has one of the best public transportation systems in the world, notably its urban subway systems and the national high-speed rail network.

“Washington Declaration,” that noted a relationship “what began as a security partnership has grown and expanded into a truly global Alliance that champions democratic principles, enriches economic cooperation and drives technological advancements.” The bilateral trade aspect of economic cooperation has already attracted much attention and reaped many mutual benefits since the KORUS Free Trade Agreement came into force in 2012. However, I believe that the importance of the investment aspect of economic cooperation calls for a greater appreciation by all stakeholders in both countries. This is especially so in ensuring stable supply chains and in developing critical and cutting edge technologies needed for future economic prosperity and sustainability.

The activities of The Korea Society have over the past several years increasingly focused on the burgeoning investment relationship between Korea and the US. The Society has done this in its inaugural National Outreach Program in Atlanta, Georgia in 2022, in its Leadership Interview Series with distinguished leaders in business, economics and public policy and with its annual Van Fleet Award that recognizes individuals and organizations that have advanced ties between the US and Korea.

In regard to investment relations, I would like to draw greater attention to US investment in Korea, which has been overlooked, in part because it has not risen as dramatically and Korean investment in the US has. The Korea Society’s role as a forum can serve to draw together decision makers in the private and public sectors for discussions on factors which will drive investment flows between the two countries, including the implications of the emergence of a modern industrial policy in recent US legislation—namely the Inflation Reduction Act and the CHIPS and Science Act.

Please explain the kinds of investment cooperation between Korea and the country you are living in.

The main recent trend in the US-Korea investment relationship is the strong growth in Korean FDI into the US, which increased by 33 percent from 2017 to 2021 to a stock position of USD 72 billion, according to the latest statistics from the US Commerce Department. Anecdotal evidence suggests that the upturn continues, as seen in huge projects announced by Korean corporations since 2022 in such industries as semiconductor chip fabrication, EV production, EV battery and battery materials production and photovoltaic solar panel manufacturing.

On the other hand, investment by US companies in Korea was relatively stable according to the Commerce Department’s SelectUSA reports, with a stock position of USD 38 billion over the same time period ending in 2021.

More recently, however, US and well as global foreign direct investment in Korea has perked up. For example, Korea’s state-of-the art manufacturing prowess attracted interest from pioneering US biotech companies during the pandemic to boost global availability of vaccines. And the growing prowess of “K-culture” soft power has attracted interest from the US entertainment industry and streaming services. Such developments are well-worth following and highlighting.

What is Invest KOREA doing in your country?

As a newly appointed honorary ambassador, I look forward to learning more of Invest KOREA and of KOTRA’s activities in the US. In general, KOTRA’s main activities include providing support to newly exporting companies, fostering global partnerships, discovering new business areas, providing training and capacity support and providing market research and other informational services.

In particular, I was fortunate to participate in an exciting special event in September 2022, K-Lifestyle USA, the largest event hosted by the KOTRA New York office.
The three-day expo actually held in New Jersey featured over 100 lifestyle brands representing the hottest K-culture trends and innovations. It was a well-attended event and featured participation by New Jersey state legislative representatives—which reflected the broad synergies and friendship of the US-Korea relationship.

Why do you think a company should cooperate with Invest KOREA to invest in Korea?

As other honorary ambassadors have noted, Invest KOREA is the only entity that specializes in providing foreign companies with seamless consultation and guidance with support from KOTRA offices in the US. This will help investors find their niche and benefit from Korea’s sound economic fundamentals. As Invest KOREA notes on its website, Korea is the world’s 10th largest economy, with GDP approaching USD 2 trillion. Its international payments record and credit quality are very strong, as reflected in Moody’s Investors Service Aa2 sovereign credit rating, backed up by predictable foreign exchange policies and the ninth largest foreign exchange reserves holdings in the world, USD 427 billion, as of April 2023 according to the Bank of Korea.

In addition, Korea is a global leader in infrastructure—it has one of the best public transportation systems in the world, notably its urban subway systems and the national high-speed rail network. The country’s gateway Incheon Airport is consistently rated in the top five globally by SKYTRAX. And its information and communication technologies (ICT) ranks first in the world according to the World Economic Forum (WEF).

Moreover, Korea has the highest education completion rate in among OECD countries. As Invest KOREA notes, “people are the most important resource in Korea, and they are what keep innovation alive in the country.”
Abolition of Foreign Investor Registration Requirement

I. FSC Announces Abolition of Foreign Investor Registration Requirement

On January 25, 2023, the Financial Services Commission (the “FSC”), along with the Financial Supervisory Service (the “FSS”) and other relevant authorities, announced the “Improvement Measures for Foreign Investors’ Access to Korean Capital Markets.” These improvement measures will change the 30-year-old requirement for foreigners’ investments in listed securities that have been in place since its implementation in 1992. The change is significant in that it reflects regulatory reforms recommended by MSCI (Morgan Stanley Capital International) through its “Global Market Accessibility Review (June 2022).”

Below is an overview of the foreign investor registration requirement under the pre-amendment Financial Investment Services and Capital Markets Act (the “FSCMA”) and the abolition of this requirement.

II. Foreign Investor Registration Requirement under Pre-Amendment FSCMA

The foreign investor registration requirement under the pre-amendment FSCMA is as follows:

- The Presidential Decree under the FSCMA and the Investment Rules require a foreign investor who intends to invest in or dispose of shares on the KRX KOSPI Market or the KRX KOSDAQ Market (including shares being issued or sold for initial listing on the KRX KOSPI Market or the KRX KOSDAQ Market) to register its identity with the FSS prior to making any such investment or disposal unless it has previously registered. However, the registration requirement does not apply to foreign investors who (i) acquire converted shares by exercising rights attached to securities offered by Korean companies outside Korea (including upon exercise of rights attached to convertible bonds, bonds with warrants, exchangeable bonds, depositary receipts, distribution depository securities and any other similar securities or certificates) with the intention of selling such converted shares within three months from the date of acquisition of the converted shares or (ii) acquire or dispose of shares outside the KRX KOSPI Market or the KRX KOSDAQ Market in connection with a foreign direct investment under the Foreign Investment Promotion Act of Korea. Upon registration, the FSS will issue to the foreign investor an investment registration certificate, which must be presented each time the foreign investor opens a dealing account or a brokerage account with an investment dealer or an investment broker licensed in Korea. Foreigners eligible to obtain an investment registration certificate include foreign nationals who have not been residing in Korea for a consecutive period of six months or more, foreign governments, foreign municipal authorities, foreign public institutions, international financial institutions or similar international organizations, corporations incorporated under foreign laws and any person in any additional category designated by a decree promulgated under the FSCMA.

- Upon a purchase of shares through the KRX KOSPI Market or the KRX KOSDAQ Market by a foreign investor with a designated investment account at a foreign exchange bank in accordance with the Presidential Decree under the FSCMA and Investment Rules, no separate report by the investor is required because the investment registration certificate system is designed to control and oversee foreign investment through a computer system. However, a foreign investor’s acquisition or sale of shares outside the KRX KOSPI Market or the KRX KOSDAQ Market (as discussed above) must be reported by the foreign investor or its standing proxy to the Governor of the FSS at the time of each such acquisition or sale; provided, however, that a
foreign investor must ensure that any acquisition or sale by it of shares outside the KRX KOSPI Market or the KRX KOSDAQ Market in the case of trades in connection with a tender offer, odd lot trading of shares, trades of shares of a public service corporation for which the aggregate foreign ownership limit has been reached or exceeded or any other case set forth in the Investment Rules is reported to the Governor of the FSS by the investment dealer or investment broker engaged to facilitate such transaction.

- A foreign investor may appoint a standing proxy among the Korea Securities Depository, foreign exchange banks (including domestic branches of foreign banks), investment dealers, investment brokers and collective investment companies (“financial investment firms”) (including domestic branches of foreign financial investment firms) and internationally recognized custodians which will act as a standing proxy to exercise shareholders’ rights or perform any matters related to the foregoing activities if the foreign investor does not perform these activities itself. Generally, a foreign investor may not permit any person, other than its standing proxy, to exercise rights relating to its shares or perform any tasks related thereto on its behalf.

III. Overview of Improvement Measures for Foreign Investors’ Investments

The Presidential Decree under the FSCMA described above and the rules thereunder have required a foreign investor to register with the FSS in order to invest in securities listed on the Korean stock market. This requirement has caused inconvenience to foreign investors by requiring them to submit a number of notarized and translated documents, including the investment registration application form, identification documents, and the standing proxy agreement. On the other hand, developed countries such as the U.S. and Japan do not have such registration requirement for foreign investors, and thus global investors have made continuous requests to improve Korea’s foreign investor registration requirement.

The abolition of the foreign investor registration requirement will allow foreign investors to invest in listed Korean securities by using their legal entity identifiers (“LEIs,” standardized ID assigned to corporate entities) or passport numbers (in the case of individuals) without having to go through a pre-registration process. For foreigners who have already been registered as foreign investors with the FSS, they will be allowed to continue to use the “investment registration numbers” issued to them at the time of registration.

IV. Timeline and Anticipated Effect of Improvement Measures

The amendment to the Presidential Decree under the FSCMA, which includes the abolition of the foreign investor registration requirement, was promulgated on June 13, 2023. In line with the transitional period under the addenda, the provisions on the foreign investor registration requirement will take effect on December 14, 2023, i.e., six months from the enforcement date.

Other measures listed in the Improvement Measures for Foreign Investors’ Access to Korean Capital Markets that require amendment to the Regulations on Financial Investment Business to be implemented—e.g., increasing the scope of over-the-counter transactions subject to ex-post report and improving the utilization of omnibus accounts—will be implemented simultaneously with the abolition of the foreign investor registration requirement.

These regulatory improvements are expected to significantly streamline foreigners’ investment in KRX-listed securities.

By Ji-Pyoung Kim (Attorney)
Chang-hee Shin (Foreign Legal Consultant)
Seung-Hwan Cheong (Attorney)
Sung-jin Kim (Attorney)
Kim & Chang

* The opinions expressed in this article are the author’s own and do not reflect the views of KOTRA.
Invest KOREA Market Place

Invest KOREA Market place (IKMP) is an online business matching platform available on Invest KOREA’s website with information on approximately 300 Korean companies seeking to partner with foreign investors. This month, we introduce some outstanding companies in Korea’s semiconductor industry.

**COMPANY A**

<table>
<thead>
<tr>
<th>Investment Requirement</th>
<th>Company Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>USD 10 million</td>
</tr>
<tr>
<td>Patents and Certificates</td>
<td>22 registered patents (incl. ray tracing core and ray tracing chips), 11 trademarks and 3 service marks</td>
</tr>
<tr>
<td>Investment Structure</td>
<td>Equity Investment, Joint Venture, M&amp;A</td>
</tr>
<tr>
<td>Financial Performance</td>
<td>(Sales in 2022) USD 2.02 million</td>
</tr>
</tbody>
</table>

**Investment Highlights**

- **GPU Market:** GPUs were integrated into smartphones and tablet PCs in the late 2000s, experiencing growth. With the recent expansion of AI devices, the GPU market is projected to grow from USD 33 billion in 2021 to USD 477 billion by 2030, with a CAGR of 33%. The importance of the General Purpose Graphic Processing Unit (GPGPU) optimized for big data analysis, where parallel computing is key, is increasing, and the demand for GPUs is growing due to the increase in parallel computing operations.

- **Developed the world’s first ray and path traceable GPU IP and commercialized the MIMD GPU architecture:** Ray tracing GPU IP was licensed by Verisilicon, the No. 1 semiconductor IP company in China and No. 7 in the world, and is currently being used as the core technology for the Metaverse GPU chip. Based on partnerships with Codasip, one of the world’s top three RISC-V CPU companies, for entry into the European market, and Verisilicon for entry into the Chinese market, plans are underway. The company is also pursuing the establishment of local subsidiaries for overseas offices and the development of proprietary commercial GPU semiconductor.

**COMPANY B**

<table>
<thead>
<tr>
<th>Investment Requirement</th>
<th>Company Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>USD 5 million</td>
</tr>
<tr>
<td>Patents and Certificates</td>
<td>2 registered patents for manufacturing method of solar cells</td>
</tr>
<tr>
<td>Investment Structure</td>
<td>Equity Investment, Joint Venture</td>
</tr>
<tr>
<td>Financial Performance</td>
<td>(Sales in 2022) USD 1.79 million</td>
</tr>
</tbody>
</table>

**Investment Highlights**

- **Global demand trend for ingots for solar and semiconductor wafer production:** The demand for semiconductors is expected to surge due to factors such as 5G, autonomous driving, AI data centers, and renewable energy plants. As the demand for ingots for the production of solar and semiconductor wafers continues to grow, the demand for recycling ingot scrap, which is generated as a waste product of ingots, is expected to continue to increase. The technology of recycling ingot scrap by crushing it into chip-sized polysilicon for reuse in the ingot manufacturing process contributes significantly to environmental protection. So, it is expected that interest in ESG management will continue to increase.

- **Contribution to carbon emission reduction through chip polysilicon:** Companies involved in manufacturing solar panels or semiconductor wafers can recycle byproducts generated during their manufacturing processes using our proprietary cleaning technology to produce chip poly. This process of recycling and supplying chip poly helps semiconductor wafer manufacturers reduce their wafer production costs and contribute to resource sustainability.

For more information please e-mail ikmp@kotra.or.kr, or visit the Invest KOREA Market Place page on www.investkorea.org.
Gwangju Science Valley, the Only Optical Industry Cluster in Korea

Gwangju Science Valley (also known as Gwangju High-tech Science and Technology National Industrial Complex) was established in 1991, covering an area equivalent to about 344 soccer fields. The Complex is leading the local economy, housing 42.2% of companies operating in the Gwangju region’s industrial complexes and accounting for 19.7% of the region’s production and 28.1% of employment as of 2022. The valley specializes in high-tech industries such as new materials, optics, digital IT home appliances, and high-tech parts and materials. As of Q1 2023, a total of 2,143 companies are operating in the valley.

· **Gwangju Science Valley**
· **Location:** Daechon-dong, Yeonje-dong and Sinyong-dong of Buk-gu and Bia-dong of Gwangsan-gu, Gwangju Metropolitan City
· **Area**

<table>
<thead>
<tr>
<th>Total area</th>
<th>Industrial facilities</th>
<th>Residential facilities</th>
<th>Supporting facilities</th>
<th>Public facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,991</td>
<td>2,458</td>
<td>1,787</td>
<td>2,508</td>
<td>3,238</td>
</tr>
</tbody>
</table>

The valley specializes in high-tech industries such as new materials, optics, digital IT home appliances, and high-tech parts and materials. As of Q1 2023, a total of 2,143 companies are operating in the valley.

· **Area of specialization:** Gwangju Science Valley is the only optical industry cluster in Korea providing production, residential, and commercial facilities and focuses on ICT-based electronic parts industries such as semiconductors and optics. The optical industry uses the properties of light to produce products. It is knowledge-based and technology-intensive, experiencing fast technology changes, causing less environmental pollution and focusing on R&D functions. Semiconductor giants such as Samsung Electronics and Amkore Technology Korea are operating in the valley, as well as the Gwangju Institute of Science and Technology, the Korea Photonics Technology Institute, and the Korea Electronics Technology Institute.

· **Changes in industrial structure:** Recently, more large-scale knowledge industry centers were introduced in the valley, leading to changes in industrial structure. As of the end of 2022, the construction of 10 new knowledge industry centers were completed and attracted companies specializing in IT and AI. According to the valley’s management agency, the number of companies operating in the valley is expected to reach 2,700 by the end of 2023. In addition, an AI-centered industrial convergence cluster has been established in the adjacent R&D Special Zone High-Tech District 3, bringing changes in Korea’s industrial, economic, and job structure.

*Source: (Text/photo) Korea Industrial Complex Corporation
For more information, visit kicox.or.kr; or call 070.8895.7000*
Is it possible for a foreign-invested company to take out a short-term loan with a redemption period of not more than one year?

Every month, Invest KOREA provides answers to some frequently asked questions submitted by foreign-invested companies in Korea and potential investors.

Q.
Is it possible for a foreign-invested company to take out a short-term loan with a redemption period of not more than one year?

A.
According to Article 7-14 of the Foreign Exchange Transactions Regulations, when a resident that is a for-profit corporation (including a foreign-invested company) intends to borrow foreign currency funds from a non-resident, the resident may do so by notifying such loan with the head of a designated foreign exchange bank regardless of the maturity of the loan.
- However, if the amount to be loaned exceeds USD 30 million (including the cumulative amount borrowed over the past year from the date of the loan notification), it should be notified to the Minister of Economy and Finance via a designated foreign exchange bank.

- A foreign-invested company intending to take out a short-term, foreign currency loan that exceeds USD 30 million can do so by notifying the loan only to the head of a foreign exchange bank.

<table>
<thead>
<tr>
<th>Permitted companies</th>
<th>Foreign investment ratio</th>
<th>Allowed limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign-invested companies engaging in general manufacturing business</td>
<td></td>
<td>Within 50% of the foreign investment amount</td>
</tr>
<tr>
<td>Foreign-invested companies eligible for tax reduction or exemption that engage in high-technology accompanying industry-supporting service businesses (replaced by “businesses accompanying technologies for new growth engine industries” as of February 2017)</td>
<td>Less than one third</td>
<td>Within 75% of the foreign investment amount</td>
</tr>
<tr>
<td></td>
<td>One third or greater</td>
<td>Within 100% of the foreign investment amount</td>
</tr>
</tbody>
</table>

For further inquiries, please contact the Investment Consulting Center

**call** +82-1600-7119 **or visit** [www.investkorea.org](http://www.investkorea.org)
Korea 101: Immigration Priority Card

1) Application Procedures and Qualifications

(1) What is the Immigration Priority Card?

The immigration Priority Card is issued by the Ministry of Justice to enable immigrants to go through the country’s immigration procedures more easily. KOTRA is one of the selected issuers of the card, and receives card issuance applications from foreign investors, etc. For one, the card holders are entitled to use the Fast Track immigration lane (reserved exclusively for aircraft crew and diplomats) for faster passport control at international airports.

(2) Eligibility

Those who fall into one of the following categories are eligible for Immigration Priority Card issuance.

➊ The officers or employees* of an overseas parent company or an Asian regional headquarters of a foreign-invested company surpassing the following amount in a foreign direct investment (based on the notified amount)

<table>
<thead>
<tr>
<th>Classification</th>
<th>Threshold (reported FDI amount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing industry</td>
<td>USD 15 million or more</td>
</tr>
<tr>
<td>Finance &amp; insurance industry</td>
<td>USD 50 million or more</td>
</tr>
<tr>
<td>Wholesale, retail and warehousing industry</td>
<td>USD 5 million or more</td>
</tr>
<tr>
<td>Other industries</td>
<td>USD 10 million or more</td>
</tr>
<tr>
<td>Operation of R&amp;D centers, projects involving new growth engine industry technologies</td>
<td>USD 2 million or more</td>
</tr>
</tbody>
</table>

* Where an application for re-issuance is made after the expiration of the validity period, re-issuance can be granted when the ratio of the FDI amount on arrival basis is at least 50 percent of the FDI amount on notification basis at the time of application for re-issuance.

➋ The officers or employees of an overseas parent company or an Asian regional headquarters of a foreign-invested company hiring 100 or more full-time employees

➌ Officers or employees of foreign economic institutions based in Korea

➍ Investment delegations invited by relevant central government agencies or local governments

※ The validity of the Immigration Priority Card is three years. (The card’s validity for investment delegations invited by relevant central government agencies or local governments is six months.)

※ The above is subject to change according to the guidelines of the Ministry of Justice.

2) Documents to be Submitted

➊ An application for the Immigration Priority Card

➋ A copy of the foreign-invested company registration certificate for officers or employees of an overseas parent company or an Asian regional headquarters of a foreign-invested company; a certified copy of the corporate register for officers or employees of a foreign economic organization based in Korea; or an invitation for an investment delegation invited by a relevant central
government agency or a local government

1. A certificate of employment by an overseas parent company or an Asian regional headquarters (or a document that proves that the card applicant belongs to the company or organization eligible for the priority card)

2. One of the following documents depending on the abovementioned classification
   - A company running an R&D center: A certificate of recognition of a corporate research institute or an R&D division issued by the Korea Industrial Technology Association (or an official letter from the Ministry of Trade, Industry and Energy designating the facility as an R&D center)
   - A company involving new growth engine industry technology: An official letter from the Ministry of Economy and Finance regarding tax benefits in relation to the company’s special status
   - A foreign-invested company hiring 100 or more full-time workers: A payroll, a certificate of the insured issued by the Korea Workers' Compensation & Welfare Service, or a report on the status of withholding performance issued by the National Tax Service

3. A copy of the card applicant’s passport

※ An email application is possible with the application and documents attached as a PDF file.

3) Issuance Procedures

Submission of the application form and documents
Applicant → KOTRA

Application for card issuance
KOTRA → The MOJ

Card issuance approval and issuance
The MOJ → KOTRA

Card dispatch
KOTRA → Applicant

* Application between the 1st and the 10th day of a month → issuance on around the 25th of the same month
** Application after the 10th day of a month → issuance on around the 25th of the following month

※ Apply to: KOTRA's Investment Consulting Center
PHONE 82-2-3497-1971
E-mail prioritycard@kotra.or.kr

**TIP**

How is the middle name written in Korea?

Koreans do not have middle names, so there are no related rules. Generally, one can follow the order in which one's name is written in his/her passport or alien registration card when he/she subscribes to a website or applies for card issuance (last name → first name → middle name).

※ If your name is extraordinarily long, part of it can be cut off your the immigration priority card, which does not affect your card usage at all.
Experience Korea

Every month, in cooperation with the Korea Tourism Industry (KTO), Invest KOREA features one unique region in Korea as an ideal venue for corporate meetings, international conventions, and incentive travels. Read on to find out more on the KTO’s Korea Unique Venue initiatives and plan your next visit to Korea!

Discover the unique beauty of diverse regions throughout Korea

What is KOREA UNIQUE VENUE?

The MICE industry is celebrated as the “golden industry without limits” of the 4th Industrial Revolution Era. With the growth of this industry, MICE venues are increasing in variety. Nowadays, corporations and institutions, which have preferred large scale convention centers in the past, are increasingly seeking out special places and experiences, or “unique venues” that showcase traditional local cultures and regional characteristics.

The Korea Tourism Organization regularly selects and promotes such unique venues that can be found all throughout the country—places with a distinct Korean charm that captivate its visitors. After various studies and evaluations on the suitability of the purpose, scale, and size of various events and meetings, the KTO has selected 39 of Korea’s unique venues to fit your various needs.

These 39 “KOREA Unique Venues,” which demonstrate the special characteristics of its respective region, are bound to add color to your events and provide visitors with experiences and memories beyond expectations. Korea’s doors are wide open for you to experience the country’s culture and beauty to their fullest.

Subjects of incentive support for international meetings (event hosting/global PR and event hosting support)

Common Conditions:
1. Meetings hosted by international organizations or members of the international organizations, or legal entities & groups which are part of international organizations that fulfill ALL of the following conditions.
   - Foreigners from at least 5 or more countries shall participate in the meetings.
   - Total number of meetings participants shall be at least 300 or more and foreign participants shall be at least 100 or more.
   - The duration of the meetings shall be at least 3 days or longer.
2. Meetings hosted by legal entities & groups which are not a part of international organizations that fulfill ALL of the following conditions.
   - Among the meeting participants, total number of foreign participants shall be at least 150 or more.
   - The duration of the meetings shall be at least 2 days or longer.

Subjects of incentive support for corporate meetings/incentive tours

Common Conditions:
- Visitors should stay in Korea for at least 2 days or longer.
  * NOT applicable for hobby clubs, fan clubs, religious organizations, government officials’ groups, and/or student groups.
- Among the participants, total number of foreign participants shall be at least 10 or more.

Additional Conditions:
1. Incentive Tour: Incentive Tour Groups (as performance awards), with sponsoring corporations paying for all of tour related expenses for visiting Korea.
2. Corporate meetings: Groups of people who are visiting Korea for meetings hosted by specific corporations for the express purpose of meetings or travels
   * Meetings with at least 4 hours or longer shall be included in the official schedule.

For further details, please visit the K-MICE website at https://k-mice.visitkorea.or.kr.
Korean Stone Art Museum is a specialty stone museum where visitors can enjoy about 1,300 Korean stone relics, various trees, and wildflowers. All indoor and outdoor spaces in the Museum can be used as venues for various events. The Roof Top which boasts a large space and a spectacular view, especially, can be used as a venue for banquets and seminars.

Venue & Rental Information
- Address: 66 Daesagwan-ro 13-gil, Seoul, Korea
- Phone Number: +82-2-986-1001
- Inquiries: +82-2-986-1001 / kosa@ksmuseum.com
- Major Events Held in Recent Years: IBA (International Bar Association) 2019 SEOUL/ FORCA (Korea Foreign Company Association) CEO FORUM Dinner Reception(2020)
Invest KOREA's Services

**Foreign Investment Ombudsman**
The Office of Foreign Investment Ombudsman is an organization established in 1999 to provide close aftercare support and grievance resolution services for foreign-invested companies, and is dedicated to resolving any difficulties that foreign-invested companies face while doing business in Korea.

**One-Stop Service for Foreign Investors**
The Inbound Investment Consulting Department not only assists foreign investors and foreign-invested companies in the investment review and implementation stage, but also offers customized services to help foreign investors and their families get comfortably settled in Korea.

**Invest KOREA Market Place (IKMP)**
IKMP is a project aimed at discovering promising Korean SMEs seeking to attract foreign investment and matching them with foreign investors who have compatible needs. Projects looking for investment are posted on our website at [www.investkorea.org](http://www.investkorea.org).

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**Invest KOREA Plaza (IKP)**

Invest KOREA Plaza (IKP) is Korea’s first facility dedicated to the incubation and investment of foreign investors. Each year, more than 40 foreign-invested companies rent out offices in the plaza and utilize IK’s one-stop service.

IKP also provides serviced offices, business lounges, video conference rooms and a shower and sleeping lounge to maximize convenience for foreign investors.

**IKP Offices for Lease**

Foreign-invested companies

Companies planning to notify investment: Those who expect to report foreign direct investment of which the arrived amount is over USD 100,000 within 1 year of move-in.

**IKP Occupancy Procedure**

Counseling in occupancy → Application for occupancy → Screening committee evaluates application → Result notification(result confirmed in 1-2 weeks) → Conclusion of lease contract → Move into IKP

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**Job Fair for Foreign-Invested Companies**
IK organizes regular job fairs to help foreign-invested companies discover qualified local talent, and job seekers find employment through job consultations, on-site interviews, and more.
# INVEST KOREA SUMMIT 2023

**November 6-8, 2023  Busan, BEXCO**

**VENUE**  
BEXCO Exhibition Hall 2, Busan, South Korea

**HOST**  
Ministry of Trade, Industry & Energy (MOTIE)

**ORGANIZER**  
Invest KOREA, Korea Trade-Investment Promotion Agency (KOTRA)

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Explore our sessions featuring C-Suite Executives, Cabinet Officials, Local Governments, Korean Startups, and more

**Meet 1,000+ global business partners under one roof**

<table>
<thead>
<tr>
<th>DATE</th>
<th>PROGRAM</th>
</tr>
</thead>
</table>
| November 6   | • Foreign Press Conference  
               • Welcome Reception                                                   |
| (Mon.)       |                                                                          |
| November 7   | • Exhibition (Business Partnering)  
               • **Local Government Session (Town Hall Meeting)**              |
| (Tue.)       | • Networking Luncheon  
               • Business Roundtable  
               • **Opening Ceremony**  
               | Cabinet Remarks (Labor, Energy, Environment etc.)              |
|              | Industry Insights (Leading Company in High-Tech Industry)               |
|              | • Night Reception by Busan                                              |
| November 8   | • Exhibition (Business Partnering)  
               • **Startup Conference**                                         |
| (Wed.)       | • Overseas Investment Forum                                              |

*Program may be subject to change without prior notice*
KOTRA has 129 overseas offices and 10 headquarters worldwide

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