

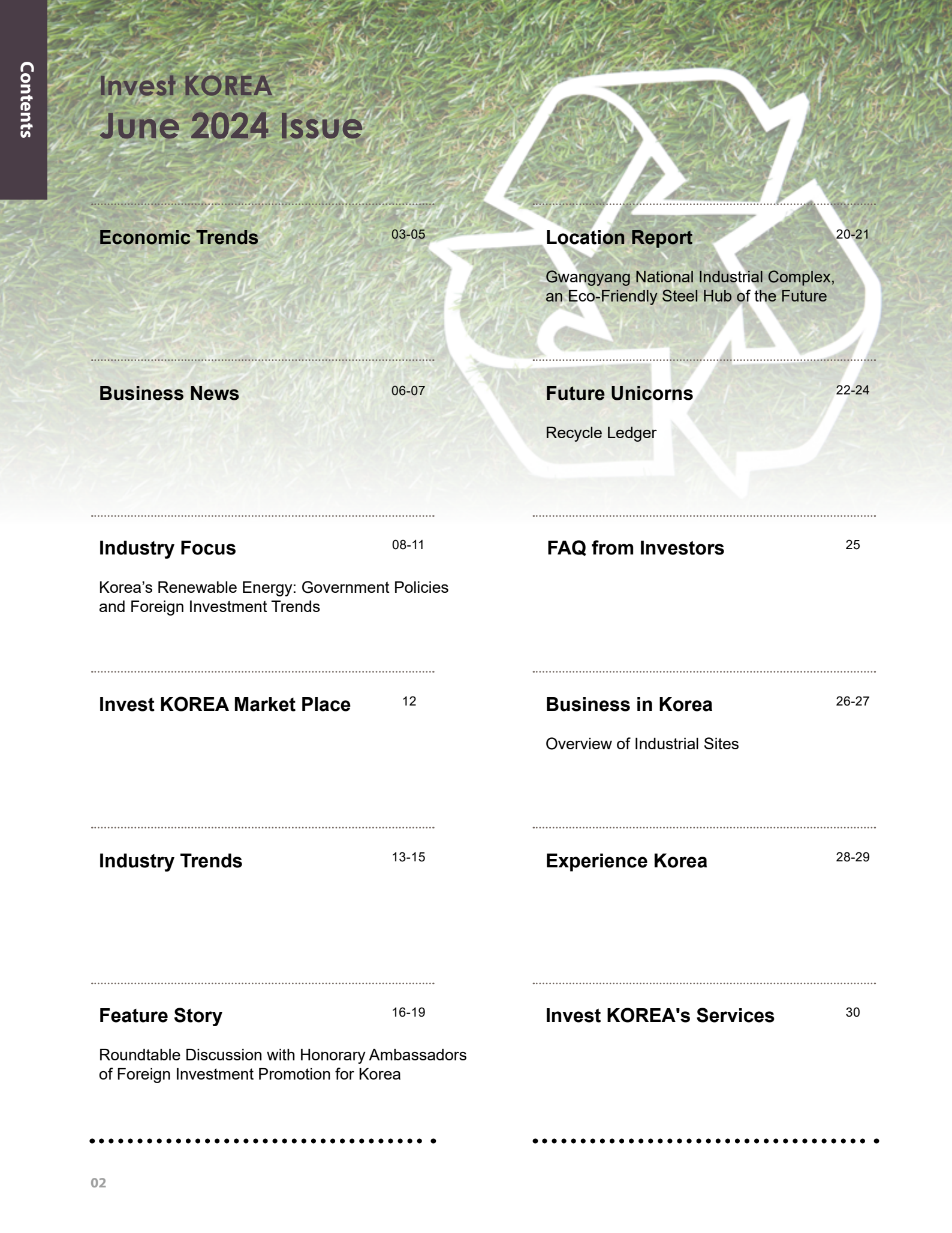
Invest KOREA

June 2024

Industry Focus

Korea's Renewable Energy: Government Policies and Foreign Investment Trends

Event Overview: Roundtable Discussion with Honorary Ambassadors of Foreign Investment Promotion for Korea
Gwangyang National Industrial Complex, an Eco-Friendly Steel Hub of the Future
Future Unicorns: Recycle Ledger



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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 Korean economy is sustaining a trend of alleviating economic slowdown, supported by a strong export recovery.
- Although production experienced some adjustments in March, it maintained the moderate growth trajectory propelled by semiconductors in terms of the first quarter trend.
 - Services production maintains low growth, and construction production, which had rebounded due to a temporary concentration of construction projects, has also shifted to a decline.
 - Concurrently, manufacturing production is also undergoing some adjustments, as evidenced by the rising inventory-to-shipment ratio and the declining average capacity utilization rate.
 - Nonetheless, semiconductor production and exports continue to display robust growth, leading the trend of mitigating economic downturn.
- Meanwhile, amid decelerating inflation, employment conditions appear to be relatively favorable.
 - Core inflation, which represents the underlying inflation trend, is gradually decelerating, edging closer to the inflation target (2%).
 - The growth in the number of employed persons is adjusting, yet the unemployment rate remains at a low level.

*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:** Production growth in March has recently slowed overall, yet amid the ongoing recovery in exports, the contraction in economic activity continues to alleviate.

- In March, all-industry production growth (1.7% → 0.2%) narrowed as industrial (mining and manufacturing) and services production saw only slight increases, whereas construction production decreased.

- Mining and manufacturing production growth (4.6% → 0.7%) significantly decreased, although semiconductors remained robust (65.4% → 30.3%). However, major industries such as automobiles (-9.0%), metal processing (-10.0%), and electrical equipment (-22.6%) experienced substantial declines.

- Services production continued its mild growth at 1.0%, as accommodation and food services (-3.7%) and in wholesale and retail trade (-5.9%) retreated.

- Construction production (-2.1%), previously buoyed by a concentration of deferred projects, shifted to a decrease.

- Even on a seasonally adjusted month-on-month basis, all-industry production decreased by 2.1% as mining and manufacturing (-3.2%), services (-0.8%), and construction (-8.7%) all receded.

- Manufacturing shipments (-3.8%) fell, the inventory-to-shipment ratio increased, and the average capacity utilization rate (74.5% → 71.3%) dropped, indicating slight adjustments in the manufacturing industry.

- Production growth has slowed amid continued sluggishness in domestic demand, the contraction in economic activity continues to moderate, primarily driven by exports.

- As the overall slowdown in production growth impacts business sentiment, the BSI future tendency for both manufacturing and non-manufacturing industries recorded low levels.

- However, as exports, particularly in semiconductors, continue to show strong growth, it is difficult to

conclude that there has been a significant shift in the economic trend.

- While all-industry production experienced some adjustments in March, it maintained the moderate growth trend of the previous quarter when considering the first quarter as a whole.

■ **Consumption:** Consumption remains subdued, with goods consumption continuing to slide and service consumption exhibiting modest growth.

- Goods consumption persisted at tepid levels across various categories, notably in passenger cars and footwear and bags, affected by elevated interest rates and fewer working days.

- Services production (0.9% → 1.0%) saw a marginal increase, mainly in accommodation and food services (-3.7%) and industries closely linked to private consumption, such as wholesale and retail trade (-5.9%).

- In April, the CCSI registered 100.7, maintaining a level similar to the baseline (100).

■ **Equipment Investment:** Equipment investment is gradually emerging from its sluggishness, yet remains subdued due to factors such as persistently high interest rates.

- In March, equipment investment further contracted from -0.9% to -4.8%.

- By category, highly volatile transport equipment (-3.0% → 4.2%) rebounded, while machinery (-0.1% → -7.6%), especially special industrial machinery (6.7% → -12.6%), retreated.

- Even on a seasonally adjusted monthly basis, equipment investment fell sharply from 9.6% to -6.6%.

- However, the seasonally adjusted equipment investment index for March (117.8) was slightly higher than that of January (115.1). Given the high volatility of equipment investment, drawing conclusions about an acceleration in sluggishness remains challenging.

- Leading indicators also weakened amid declines in domestic machinery orders received and imports.
 - Domestic machinery orders received (21.6% → -10.0%) decreased, particularly in special industrial machinery (0.3% → -31.1%). Over the January-March period, its growth was a mere 0.7%.
 - In April, machinery imports (-9.4% → -8.4%) continued their decline, continuing significant losses.

■ **Construction Investment:** The slowdown in construction investment persisted as the decline in the value of construction completed (constant) widened and related leading indicators remained sluggish.

- In March, the value of construction completed (constant) recorded a -2.1% growth, lower than the previous month (0.4%), adjusting from the temporary spike earlier in the year.

- On a seasonally adjusted monthly basis, the value of construction completed, which had surged in January due to a concentration of projects approaching completion, appears to be adjusting rapidly, beginning in March.

* SA MoM basis (%): (Jan.) 12.7 → (Feb.) -1.0 → (Mar.) -8.7

- The building construction sector (-2.0% → -3.1%) experienced a deeper contraction driven by sluggishness in non-residential buildings, while growth in the civil engineering sector (9.8% → 0.6%) also narrowed.

* Non-residential (current, %): (Jan.) 23.1 → (Feb.) 1.1 → (Mar.) -6.5

- Leading indicators (construction orders received and building permit area) remain contracted, suggesting that the slowdown in construction investment is likely to persist.
 - Construction orders received (0.3%) remained at a low growth rate, driven by the private sector (-14.0%). On a seasonally adjusted basis, they fell

to 11.2 trillion won, substantially below the recent three-year monthly average (16.3 trillion won).

- The area for building permits decreased by 13.0%, marking a decline for 13 consecutive months.

■ **Prices:** The trend of decelerating inflation persists on weak demand due to high interest rates.

- In April, headline inflation decreased slightly from 3.1% to 2.9%, still at a high level due to sharp price rises in volatile items such as agricultural products, while core inflation slowed, particularly in service prices.

- Prices of agricultural products (20.5% → 20.3%) continue to show high growth, temporarily constraining the slowdown in consumer price growth.

- Conversely, prices of personal services continued to decelerate, reflecting a contraction in demand.

* Personal service (%): (Feb.) 3.4 → (Mar.) 3.1 → (Apr.) 2.8

- Core inflation (2.4% → 2.3%), which represents the underlying inflation trend, also slowed, edging closer to the inflation target (2.0%).

* Dubai oil prices (%): (Jan. '24) -2.0 → (Feb.) -1.5 → (Mar.) 7.2

- Meanwhile, rising oil prices driven by geopolitical instability may potentially exert some pressure on consumer prices.

* Dubai oil price (%): (Feb.) -1.5 → (Mar.) 7.2 → (Apr.) 6.9

Foreign Direct Investment

Korea's FDI hits all-time high in 2023 on improved environment

Foreign direct investment (FDI) in S. Korea reached a record high last year amid a decline in the number of workdays due to fewer strikes in recent years.

According to the Ministry of Economy and Finance and the Ministry of Trade, Industry and Energy, FDI in the country reached an all-time high of USD 19.1 billion in 2023, up 4.9 percent from the previ-

ous year.

The amount of capital outflow, represented by the difference between overseas direct investment (ODI) by domestic companies and FDI, stood at USD 44.2 billion in 2023, down from USD 63.2 billion in 2022.

The upturn in FDI comes amid a more stable business environment in Korea, particularly fewer strikes.

Germany's Merck breaks ground on KRW 430 bln production line in Daejeon

Germany-based biotech giant Merck KGaA held a groundbreaking ceremony to build a new production line in the central city of Daejeon with a budget of KRW 430 billion, the industry ministry said on May 29.

The event came around a year after the biotechnology company signed a memorandum of understanding with the government in May last year to build the bioprocessing production center, according to the Ministry

of Trade, Industry and Energy.

The production line is anticipated to be completed in 2026, employing some 300 workers, it added. The company will supply essential biotech products, including dry powder cell culture media, to clients in the Asia-Pacific region.

Merck entered the S. Korean market for the first time in 1989 and currently operates 13 facilities across the country, employing 1,730 workers.

Toray Group to invest USD 365 mn to expand Gumi plant complex

Toray Industries Inc. will invest KRW 500 billion (USD 365 million) to expand facilities at the Gumi National Industrial Complex by next year.

Toray Industries and Toray Advanced Materials Korea Inc. signed a memorandum of understanding with the Ministry of Trade, Industry and Energy, North Gyeo-

ngsang Province, and the city of Gumi to invest in fields of high-performance carbon fiber, aramid fiber, and eco-friendly materials.

Last year, Toray Advanced Materials Korea decided to scale up fiber production at Gumi Plant 4. Following the expansion, the plant's annual capacity will increase from 3,300 tons to 8,000 tons.

Industry

Online shopping hits record high in April on rising food demand

Online shopping sales in S. Korea jumped more than 10 percent in April to reach an all-time high for any April on rising sales of food items amid inflation, data showed on Jun. 3.

The value of online shopping transactions stood at KRW 19.83 trillion (USD 14.41 billion) in April, up 10.5 percent from a year earlier, according to the data from Statistics Korea, marking the largest amount ever for any April.

The growth was led by rising demand for food and beverages, which jumped 18 percent on-year to KRW 2.77 trillion, as retailers launched various promotional campaigns.

Sales of agricultural, livestock and fisheries products also soared 26.2 percent on-

year to KRW 990.9 billion in April as the government provided discount coupons and subsidies to help people struggling with high prices.

Online shopping for home appliances and other electronic devices jumped 13.1 percent to KRW 1.27 trillion amid early hot weather, the agency said.

Demand on online platforms for travel and transportation services also advanced 14.7 percent and that for culture and leisure services went up 18.9 percent in April.

Purchases made through smartphones, tablets and other mobile devices increased 11.9 percent on-year to KRW 14.8 trillion, accounting for 74.8 percent of the total online sales, the data showed.

Trade & Commerce

Korea, UAE ink comprehensive economic partnership pact

S. Korea and the United Arab Emirates (UAE) signed a bilateral comprehensive economic partnership agreement (CEPA) on May 29, as President Yoon Suk Yeol and his UAE counterpart Sheikh Mohammed bin Zayed Al Nahyan held a summit in Seoul to explore expanding bilateral trade and economic partnerships.

The two countries also signed a total of two agreements and 17 memorandums of

understanding to solidify bilateral economic cooperation.

The UAE is the first Arab nation to sign a CEPA with Korea, as well as Korea's 14th largest trading partner as of 2023 and a logistics hub connecting the Middle East, Africa, and South Asia, which is expected to help Korean companies expand their presence in these regions.

Korean instant noodle exports top USD 100 mn in monthly sales

According to trade data from the Korea Customs Service on May 19, instant noodle exports totaled USD 108.6 million in April 2024, or a 46.8 percent increase year-on-year. This increase is the highest figure in 1 year and 11 months since May 2022, when the figure recorded a 49.3 percent rise thanks to a Korean food craze which was

then at its beginning stages.

The April figure also significantly surpassed the previous record of USD 92.91 million in February. With this trend, this year's annual instant noodle exports may break the record annual exports of USD 952.4 million set in 2023.

Government & Policy

Yoon unveils USD 19 bn support program for chip industry

S. Korean President Yoon Suk Yeol unveiled a KRW 26 trillion (USD 19 billion) support plan for the country's semiconductor industry on May 23, as the global competition to attract high-tech industries intensifies.

The comprehensive chip support package includes establishing a KRW 17 trillion low-interest loan program via investments from the state-owned Korea Development Bank (KDB), as well as the creation of a KRW 1.1 trillion semiconductor ecosystem fund to support investment and research

and development (R&D) in areas that are considered weak points of the Korean industry, such as materials, components, equipment, and fabless (design) sectors.

The government will also invest more than KRW 5 trillion in fostering semiconductor talents over the next three years and allocate at least KRW 2.5 trillion to ensure the rapid construction of the Yongin Semiconductor Mega Cluster by accelerating support for road, water, and power infrastructure.

Gov't to shift renewable energy system

S. Korea's government announced it will revamp its renewable energy system that disproportionately favors solar power generation, with the plan likely to focus on offshore wind power.

The plan was part of a government strategy initiative released on May 16 by the Ministry of Trade, Industry, and Energy in the presence of executives from the renewable energy industry.

As part of its overhaul of the energy system, the government plans to adopt an

auction-bidding approach in which it sets annual renewable energy targets to encourage power generators to offer bids at their lowest prices.

The Ministry of Trade, Industry and Energy is also aiming increase offshore wind power's share in the Korean renewable energy market and is requesting the prompt processing of the Special Act on the Promotion of Wind Power Generation Supply' that is currently pending in the National Assembly.



Korea's Renewable Energy: Government Policies and Foreign Investment Trends



Korea is globally renowned as a leading manufacturer of solar and wind power plant components, and the country has exported significant volumes to major economies around the world. However, the recent rise of Southeast Asian manufacturers along with its traditional competitor, China, has pushed the Korean renewable energy industry to look for a breakthrough to stay competitive in the export market. In this regard, the industry says a rapid domestic distribution of developed products will help create the track record for facilitating exports. To this end, Korea has actively promoted solar and wind power in recent years, and investment opportunities in related businesses are open to foreign companies.

The Korean Government's Renewable Energy Policies

On May 16, 2024, the Ministry of Trade, Industry and Energy (MOTIE) announced the Strategy for Expanding Renewable Energy Supply and Strengthening Supply Chain. The gist of the strategy is first, to ensure a systematic deployment of offshore wind power, led by the government, to create a sound ecosystem for the offshore wind power industry. To this end, the government will work toward swiftly enacting a special act on offshore wind power and facilitate orderly development by finding suitable locations and ensuring environmental soundness and acceptability. The government also aims to revitalize the semi-planned offshore wind farm system to strengthen the collaboration of local and central governments and redesign incentives to drive participation. In addition, the government will improve the operation and evaluation of competitive bidding markets to strengthen the competitiveness of the offshore wind ecosystem as a whole, with a focus on strengthening supply chain competitiveness. It will also work to support the construction of related infrastructure such as ports and ships in preparation for full-scale deployment.

Second, new facilities will be deployed by considering location characteristics and power grid conditions to deploy solar power in an orderly manner. The purpose is to prevent the clustering of solar facilities and promote efficient deployment. By promoting the orderly introduction of new facilities in consideration of grid conditions, the government will reduce the burden on the power system and prevent protests from local communities.

Third, the government will reform the renewable portfolio standard (RPS) to make it more adequate for the new market, promote power purchase agreements (PPAs), and induce the voluntary creation of the renewable energy market. These efforts will fulfill the market de-

mand of the private sector and ensure the stability of renewable energy supply. More specifically, the government's targeted number of new facilities will be tendered annually for each source. Facilities will be selected within the bidding capacity by evaluating them with price and non-price indicators. The winners will be awarded long-term (20-year) fixed price (/kWh) contracts at the bid price, and a separate pathway will be established for facilities below a certain size so that they can also enter the market.

Fourth, a one-stop support system will be established to support businesses to explore the global market, and ministries will cooperate to provide step-by-step customized support. These efforts will strengthen the global competitiveness of Korean renewable energy businesses and expand their presence in overseas markets. The government will establish the Renewable Energy Export Promotion Council to comprehensively support businesses looking to expand overseas and promote global market entry by providing customized step-by-step support. Through these policy directions, the government aims to systematically expand the deployment of renewable energy and strengthen supply chain competitiveness to ultimately achieve carbon neutrality and energy security at the same time.

Foreign Investment in Korea's Wind and Solar Power Projects¹

German energy company RWE has won a license for building a 495 MW-class offshore wind farm in the west sea off the coast of Taean, Chungnam Province. RWE has a joint offshore wind partnership with Hyundai E&C and operates a domestic offshore wind pipeline with a capacity of 3 GW. Thailand's B.Grimm Power has invested in two offshore wind farms in Yeonggwang, Jeonnam Province. Its investments in the Yeonggwang

1. Korea's Offshore Wind and Solar Markets to Attract Foreign Capital, April 8, 2024, DealBook News.

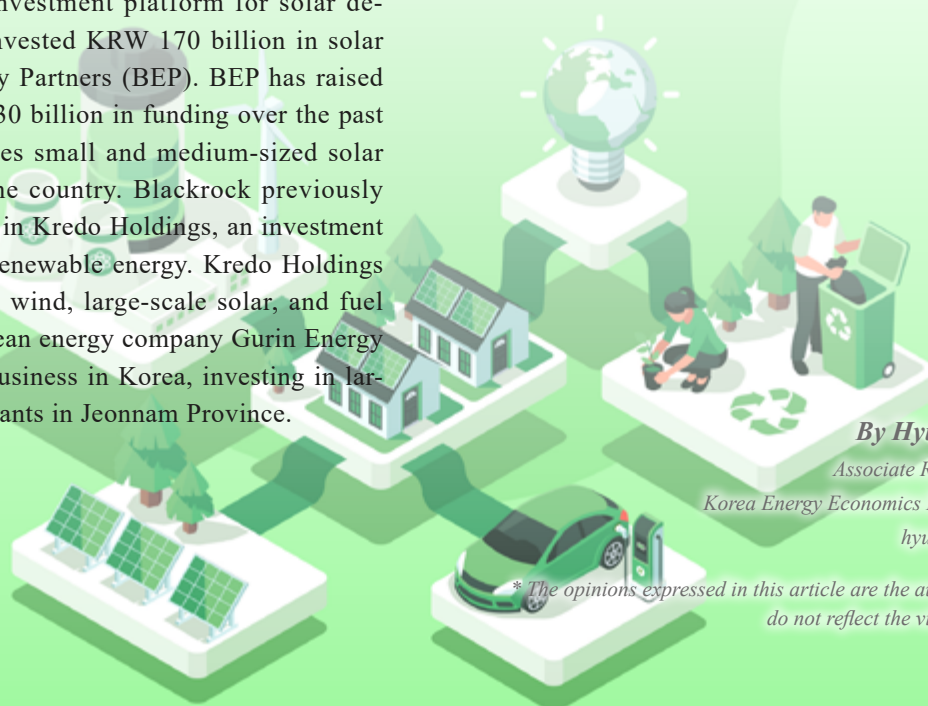


Nagweol and Yeonggwang Hanbit projects will have an installed capacity of 365 MW and 375 MW, respectively. Denmark's Orsted was awarded a project of building a 1.6 GW offshore wind power in Incheon. Orsted plans to invest KRW 8 trillion to build the offshore wind farm by 2030. Norway's Equinor is working to develop a 4-6 GW offshore wind farm in Korea, with projects off the coast of Ulsan and Chujado Island. Its main projects are Banditburi and Donghae 1, with the Banditburi project targeted to launch operation in 2030. Denmark's CIP has obtained licenses for Jeonnam Offshore Wind Power, Haeuri Offshore Wind Power, Haesong Offshore Wind Power, and Haegeum Offshore Wind Power projects. CIP is working with SK E&S to develop the Jeonnam offshore wind farm. Macquarie Green Investment Group (GIG)'s Corio Generation is developing 2.9 GW of offshore wind farms in Busan, Ulsan, and Jeonnam Province with Korea's Total Energies. BP is also investing in offshore wind farms off the south coast.

British investor Actis has entered the Korean solar market by investing up to USD 100 million in Argo Energy, a Korean renewable energy platform focused on small-scale and rooftop solar power systems. Argo Energy currently operates 110 MW of solar projects and plans to upscale to more than 400 MW. Macquarie Asia Infrastructure Fund 3 (MAIF 3) has established Summit Energy Alliance, an investment platform for solar developers. Blackrock invested KRW 170 billion in solar platform Bright Energy Partners (BEP). BEP has raised approximately KRW 330 billion in funding over the past three years and operates small and medium-sized solar power plants across the country. Blackrock previously acquired a 100% stake in Kredo Holdings, an investment group specializing in renewable energy. Kredo Holdings specializes in offshore wind, large-scale solar, and fuel cell projects. Singaporean energy company Gurin Energy is also expanding its business in Korea, investing in large-scale solar power plants in Jeonnam Province.



At the COP28 held in late 2023, Korea pledged to join the global effort to triple the use of renewable energy. To find a breakthrough in dramatically increasing the use of renewable energy under unfavorable conditions, such as high population density, mountainous terrains, and a climate with four distinct seasons, the Korean government is focusing on revitalizing the bidding system and supporting RE100 as a way to increase the country's use of renewable energy. The country is expected to experience a rapid increase in the supply of renewable energy as the Korean government is showing a strong commitment to renewable energy, including strengthening policy support.



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**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 renewables industry.

COMPANY A



CNF 2wt% suspension



CNF product image

Eco-friendly and economical process for CNF production and commercialization

Investment Requirement		Company Profile	
Amount	USD 3 million	Patents and Certificates	Registered/applied for 9 patents, including a manufacturing process and apparatus for converting biomass-derived cellulose into nanofibers, and a manufacturing device for cellulose microfibers
Investment Structure	Equity Investment, Joint Venture	Financial Performance	(Expected sales in 2025) USD 3.98 million

Investment Highlights

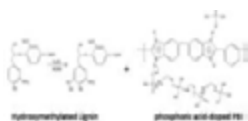
• Growing interest in eco-friendly new materials

Since the 'Paris Agreement' announced in 2016, 121 countries have joined the Climate Alliance with the '2050 Carbon Neutrality Goal', and various environmental measures are being taken around the world. In particular, the development of bio-compounds and new bio-materials that can solve environmental problems is actively underway. Industries such as biodegradable plastic compounds, eco-friendly coatings, adhesives, films, and functional fibers are increasing at a CAGR of 2.5% (adhesives) to as much as 21.7% (biodegradable plastics), and CNF (Cellulose Nanofiber), which belongs to a similar industry, is expected to grow rapidly from the initial KRW 100 billion to trillions of won in the next few years when it is commercialized.

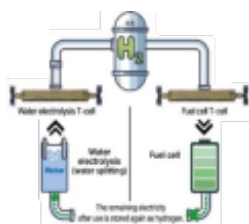
• Advanced development of CNF (Cellulose Nanofiber), a component of plant composition

CNF, an eco-friendly material based on sustainable plant resources, is a material that is 5 times stronger than iron even though it is lighter in weight when used as a composite material, and it can be used in various fields due to its significant improvement in absorbency, binding, and dispersibility as well as tensile strength. It has the characteristics of eco-friendly and highly absorbent materials, and is used as bending materials, composite materials, alternative materials, special materials, etc. CNF is an advanced material that is not limited to one field but is applied to a wide variety of industries. It is expected to have a positive impact on the promotion and diversification of the materials industry.

COMPANY B



Doped PBI Membrane
Ion Doping Membrane Technology for High-Temperature PEM



T-Cell Platform
Tubular Fuel Cell /
Water Electrolysis Unit Stack

Investment Requirement		Company Profile	
Amount	USD 1 million	Patents and Certificates	Registered/applied for 13 patents, including tubular fuel cells and tubular unit stacks that integrate fuel cells and water electrolysis
Investment Structure	Equity Investment, Joint Venture, M&A	Financial Performance	(Sales in 2023) USD 0.03 million

Investment Highlights

• Current Status of the Hydrogen Industry

The hydrogen industry is growing rapidly to solve the climate crisis, and the market for water electrolysis systems that produce green hydrogen using renewable energy is also growing rapidly. Currently, alkaline, PEM, AEM, and SO methods are competing in water electrolysis, but PEM method is dominant in small to medium scale applications. The global hydrogen market is expected to grow from USD 129.2 billion in 2017 to USD 2.5 trillion in sales by 2050 growing at a CAGR of 6%. The domestic market is also expected to continue to grow to a market worth KRW 70 trillion by 2050. Among them, the market size of water electrolysis is growing rapidly, and it is expected to reach USD 50-60 billion by 2050.

• User-friendly T-Cell and High-Efficiency Catalyst Technology for Easy Hydrogen Production and Utilization

The company is researching electric radiation nanofiber catalyst manufacturing technology, polymer technology, tubular cell manufacturing technology, and Gwangju Institute of Science and Technology's confined catalyst technology. In particular, it aims to mass-produce and distribute tubular unit cells (also known as "T-cells") that anyone can easily produce and utilize hydrogen. In addition, it is developing a water electrolysis system based on a tubular unit cell, which can be used as a fuel cell/water electrolysis system that is free from specifications and designs.

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 March 2024, Korea's industrial production moderated after four consecutive months of growth across industries, with the first quarter as a whole showing a sound recovery.

Monthly Industrial Activity Trends

Subject	All industries	Mining & manufacturing	Service	Retail sales	Capital investment	Construction completed
Monthly Change (%)	△2.1	△3.2	△0.8	1.6	△6.6	△8.7

In March, production in the mining and manufacturing industries turned negative as production in many sectors, including semiconductors and automotive, declined (Feb. 2024: +2.9 → Mar. 2024: △3.2 percent). Service industry production was slightly reduced (Feb. 2024: +0.5 → Mar. 2024: △0.8 percent) with transportation and warehousing sectors growing (+1.4 percent) and other face-to-face sectors, such as accommodation and food services (△4.4 percent) and leisure and hospitality (△1.7 percent), declining. Despite a decrease in the semi-durable goods sector (△2.7 percent), retail sales turned positive (Feb. 2024: △3 percent → Mar. 2024: +1.6 percent), driven by an increase in durable goods (3 percent) and non-durable goods (2.4 percent). After a strong improvement in the previous month, capital investment shrank (Feb. 2024: +9.6 percent → Mar. 2024: -6.6 percent) as transportation equipment (-2.9 percent) and machinery (-7.8 percent) declined together. Construction completed declined (Feb. 2024: +1.0 → Mar. 2024: -8.7 percent) in both building (-9.5 percent) and civil engineering (-6 percent), reflecting a base effect after a strong increase at the beginning of the year. The cyclical change in the coincident index turned negative for the first time in three months due to a decline in domestic consumption, exports and manufacturing and mining production. The cyclical change in the leading index turned negative due to declines in construction orders and machinery domestic consumption and shipments.

The Korean economy is showing clear signs of a balanced recovery, with an export-led recovery and signs of domestic consumption picking up. However, upside and downside risks coexist. On the production side, the outlook for a soft landing in the global economy, along with expectations of an improvement in the IT industry and global manufacturing, are positive contributors. On the downside, geopolitical unrest, supply chain risks, and monetary policy uncertainty are weighing on the economy. On the spending side (consumption and investment), expectations of growing overseas arrivals, the Family Month in May, and the extended expiration of the National Strategic Technology Tax Credit are upside factors, while household debt, real estate PF risks and weak construction orders are downside factors.

Trends by Industry

Automotive

Domestic demand in February Fell Year-on-Year due to Fewer Working Days and Lower Supply

Exports in March decreased by 5.5 percent year-on-year, affected by fewer working days and the previous year's base effect. Domestic consumption in February fell by 21.4 percent year-on-year due to fewer working days and lower supply. Production in February decreased year-on-year due to some plant shutdowns and fewer working days.

General machinery

Production and Exports Turned Negative

February production fell by 8.6 percent year-on-year with domestic consumption and exports slowing down together. While exports to the United States and Latin America showed strong performance and those to India and the Middle East started growing, March exports decreased by 10.0 percent year-on-year to decline for the first time in eleven months, due to a decline in exports to China and the EU. Imports fell by 5.5 percent from a year ago in February as Korean companies' demand and exports slowed down.

Shipbuilding

Exports Grew for 8th Consecutive Month Amid Continued Decline in Production, Shipments, and Capacity Utilization Rate

February production and shipments decreased by 16.6 percent and 19.5 percent year-on-year, respectively, due to the previous month's base effect. Exports increased by 64.3 percent in March to continue growing for eight straight months, as high-end ships such as container ships and LNG carriers and offshore plants were cleared. Despite increased imports of ships, ship engines and parts, imports declined by 0.4 percent in February, offset by a one-time import of offshore structures in the same month of the previous year. In February, Korea's ship orders ranked first in the world, accounting for 47.8 percent (2.11 million CGT) of the world's total ship orders, driven by large orders for LNG carriers.

Steel

Exports Continued to be Affected by Falling Unit Prices, and Production Started Falling on Weak Domestic Consumption

February production decreased by 4.2 percent year-on-year as the slowdown in the construction industry led to reduced production of bar steel, while production of major sheet products such as medium and thick plates and galvanized steel continued to increase. Despite increased exports to North America, which is Korea's largest export market, March exports decreased by 7.8 percent year-on-year, weighed by weak unit prices and sluggish exports to major countries such as Japan, India, and ASEAN. Imports decreased 15.7 percent year-on-year in February as sluggish domestic consumption led to slow import from major countries and falling unit prices.

Oil refining

Exports Increased by 3.1 percent Year-on-Year, Led by Increased Volume

February production increased by 6.8 percent from a year ago, supported by growing domestic consumption and higher capacity utilization of refining facilities. March exports increased by 3.1 percent year-on-year due to expanding volumes, while unit prices declined slightly from a year ago.

Semiconductor

Semiconductor Exports Increased for Five Straight Months

March exports totaled USD 11.671 billion to grow by 35.7 percent year-on-year and record the second-best March on record after 2022. The semiconductor production index for February continued strong growth to increase by 65.3 percent year-on-year and reaching 141.5.

Wireless communication devices

Exports Grew by 5.5 percent After Declining Since 2022

March exports saw an increase of 5.5 percent year-on-year, as smartphone exports fell by 7.6 percent but smartphone parts exports grew by 12.2 percent. Production in February fell by 21.5 percent year-on-year and shipments were down slightly by 7.4 percent from a year ago, due to a slump in parts exports that continued up to the beginning of 2024. Imports in February fell by 16.6 percent year-on-year, led by a significant decline in smartphone imports.

Display

Diversification of OLED Products Helped Increase Production

February production increased by 16.3 percent year-on-year thanks to the diversification of OLED products. Driven by the increased size of panels, March display exports increased by 16.2 percent to grow for eight months in a row. due to larger panels, marking the eighth consecutive month of export growth.

** Please note that the latest data available in Statistics Korea are for the previous month in the case of exports and the month prior to the previous one for production.*

Roundtable Discussion with Honorary Ambassadors of Foreign Investment Promotion for Korea

During the first session of a two-part roundtable held via video conference on April 18, 2024, three honorary ambassadors of foreign investment promotion for Korea, appointed by the Ministry of Trade, Industry and Energy, discussed Korea's investment environment and ways to enhance multilateral investment cooperation.

Honorary Ambassador Profiles:



Michael Danagher

Member of Canada-Korea Forum, Former Canadian Ambassador to the Republic of Korea, Former Senior Trade Commissioner at Embassy of Canada



Takasugi Nobuya

Chairman of the Asia-Pacific Policy Research Institute Advisory Council, Former President of the Seoul Japan Club, Former CEO of Fuji Xerox Korea



Alex Kim

Founder & Principal of Three Kings Public Affairs, Former District Director for Assemblywoman Cottie Petrie-Norris, Former Senior Advisor for Councilmember David Ryu

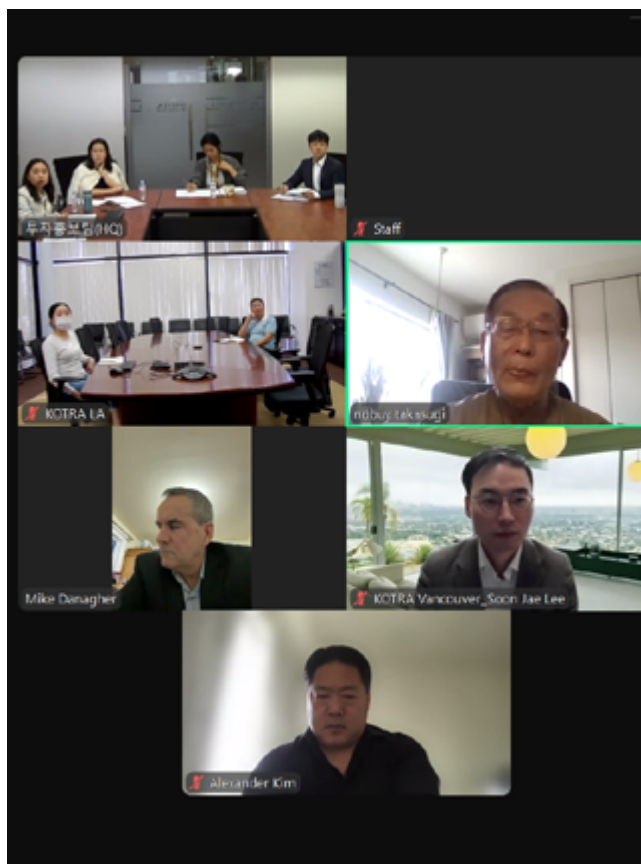
Each possessing a wealth of experience and knowledge in their respective fields, three honorary ambassadors of foreign investment promotion for Korea contributed to the active conversations that took place at the roundtable discussion, both to share and gain insights on Korea's remarkable development into a favorable investment destination and ways to further promote the country as a great place to do business.

In the first quarter of 2024, Korea reached another milestone, recording an all-time high in foreign direct investment (FDI). When asked about the reasons Korea is emerging as such a popular investment destination, Takasugi Nobuya credited the Korean government under the leadership of President Yoon Suk Yeol for its efforts in being active in supporting foreign ventures, particularly in the form of cash support and incentives to foster innovation and attract foreign companies to the country. He also mentioned that the corporate culture in the country is increasingly oriented toward open innovation, enabling symbolic relationships that accelerate growth and innovation and creating the ideal environment for startups and foreign companies to not only grow but also bring innovative changes.

“

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Alex Kim noted that Korea acts as a safe haven for business, especially amid the escalating tension between the US and China, mainly in terms of intellectual property rights compared to other Asian nations. Kim said that this, coupled with continued trust in Korea as a whole, now even through its wave of culture popularity through cuisine, music, and media, is adding to the country's economic power and national status.

Michael Danagher added that he has seen Korea's transformation over the last three decades—from a place that was not the most receptive country for foreign investment, to one that is now aware of the benefits that FDI brings to its economy and is proactively working to take advantage of this in a strategic, smart way. As one of the most committed members of the global trading community, Korea became a manufacturing hub for the world in protective equipment and vaccines during the Covid-19 pandemic, and now, is a rising leader in making defense equipment as well.

“

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When asked about how Korea can strengthen multi-lateral investment cooperation and secure its position as a good place for investment, all of them agreed that there is a growing need for Korea to be more strategic in publicizing its advantages to the global community.

On the national level, Takasugi emphasized the need to strengthen Korea-Japan cooperation in all aspects, in the form of a free trade agreement (FTA), economic partnership agreement (EPA) or comprehensive economic agreement (CEPA), to enhance the business environment for companies of both countries. He said the two countries each have a tremendous amount of knowledge, talent and experience to offer one another for mutual growth, especially in the area of parts, materials and equipment, which offer superb opportunities for both countries to hone their skills and strengths.

Aside from cooperation on the national level, Danagher highlighted the importance of corporate and peo-



Takasugi Nobuya (second from left) at the Investor Roundtable for Advanced Parts, Materials and Equipment

ple-to-people partnerships, not only among conglomerates and big business, but also between small and medium-sized enterprises between countries. Also, Kim said there's a growing need for enhanced coordination between public agencies to reach the greater society through soft power like sports diplomacy and culture as a way to gain more exposure internationally.

Global initiatives like the UN Global Compact regarding company commitments to implement universal sustainability principles, as well as RE100, which aims to achieve 100 percent renewable energy, are gaining traction in the international community. All of the ambassadors shared consensus on how Korean companies—now prominent players in the global market—need to put in more efforts to align with and adopt these initiatives to take another leap forward.

Kim emphasized the importance of fostering diversity and supporting international companies that would be considered minorities in major industries in Korea. He also said the growing role of hydrogen around the world would offer opportunities for the country to rise as a leader in this sector and match the global goals for clean energy.

Danagher mentioned that he has noticed Korean companies being ever more attentive to diversity and ESG initiatives, which points to the fact that in terms of leadership, everything is already understood. He said Korea is a much more environmentally conscious country than it was when he was here 30 years ago, and that the country is on the right path to exercising its leadership for the broader community through more internal advocacy.

“

As one of the most committed members of the global trading community, Korea became a manufacturing hub for the world in protective equipment and vaccines during the Covid-19 pandemic, and now, is a rising leader in making defense equipment as well.

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Gwangyang National Industrial Complex, an Eco-Friendly Steel Hub of the Future

The Gwangyang National Industrial Complex was designated in February 1989 to promote the steel industry as the construction of the Gwangyang Steel Plant gave rise to the need to meet the needs of related industries and foster upstream and downstream industries as well as the transportation system. It is currently home to more than 190 companies, including POSCO, Sampyo Cement, and Halla Cement.

The Gwangyang National Industrial Complex has served as a pillar of Gwangyang's economic growth by attracting businesses in the upstream and downstream industries and transportation-related companies in the Gwangyang Steel Plant, but recently, the aging infrastructure has prevented new companies from moving in and investing.

Efforts are being made in various ways to tackle these problems and transform it into a forward-looking industrial complex.

In 2023, it was selected in the 'Aged Industrial Complex Revitalization Project*', a public offering project led by the South Korean Ministry of Land, Infrastructure and transport (MOLIT). Out of the total project cost of KRW 10.5 billion, the company received KRW 5 billion in government funding to improve infrastructure such as parking lots, roads, and parks, and expand facilities for its workers to make it a business-friendly industrial complex.

In addition, it was selected as a 'Smart Green Industrial Complex**' in 2023, which will transform the Gwangy-

ang National Industrial Complex into an eco-friendly forward-looking steel complex by achieving low-carbon process innovation and manufacturing digital transformation. The plan is to pursue fifteen projects based on three spatial strategies of creating an eco-friendly space, a new industry growth space and a space attracting young people.

In December 2023, the complex's development plan was revised to allow high-tech new industries to move in, lifting the restriction that only allowed steel-related industries.

Jeonnam Province is committed to fostering future high-tech strategic industries to tackle climate crisis and meet the global goal of reaching net-zero. More specifically, the province is focusing on creating an ecosystem for secondary battery and hydrogen industries in the Gwangyang National Industrial Complex, with POSCO Group leading the effort.

Going forward, POSCO Group plans to invest more than KRW 4.4 trillion over ten years to transform the Gwangyang National Industrial Complex into a hub for the secondary battery and hydrogen industries. An early implementation of POSCO Group's investment plan is expected to enhance the country's industrial competitiveness, create high-quality jobs for local communities, and revitalize the local economy.

The Gwangyang National Industrial Complex is expected to rise again by reorganizing infrastructure, transforming into a smart green industrial complex, and attracting high-tech companies in new industries.

Gwangyang National Industrial Complex

• **Location:** Taein-dong and Geumho-dong, Gwangyang, Jeonnam Province

• **Area**

(Unit: 1,000 m²)

Total area	Industrial facilities	Supporting facilities	Public facilities	Green area
27,517	20,604	3,189	2,323	1,401

* Aged Industrial Complex Regeneration Project: A project aimed at reorganizing industrial complexes that have lost competitiveness after more than 20 years of operation and transforming them into high-tech industrial complexes through industry conversion, infrastructure upgrade and expansion.

** Smart Green Industrial Complex: Whereas turning each plant into a smart one represents the basic step of manufacturing innovation, and the next stage is building a smart industrial complex, a Smart Green Industrial Complex combines digital and eco-friendly concepts for innovation.



Recycle Ledger

About the Company

Recycle Ledger is a platform that tracks the supply chain of circular materials in the form of recording recycled resource transactions on a blockchain ledger. Its mission is to ensure traceability and transparency of recycling with the help of IT technologies, and to build a reliable system that meets global carbon neutrality regulations.

The company has successfully tracked a total of 120,000 tons of biofuel feedstocks, including used cooking oil, animal oil, and fish oil, in Korea, Japan, and the Philippines, and obtained 16 export certifications from US certification agencies.

Based on these achievements, Recycle Ledger continues to expand global business in the biofuel sector and add services to other resource such as used batteries and used plastics.

Background

Background and Motivation

The US and Europe introduced policies to strengthen their biofuel blending mandates and provide government incentives in an effort to achieve carbon neutrality. While these policies are intended to protect the environment, they can cause greenwashing, where cheap biofuels are disguised as high-end used cooking oil biofuels to fraudulently qualify for government incentives. To prevent this, the US Environmental Protection Agency (EPA) and Europe's International Sustainability and Carbon Certification (ISCC) require mandatory certification for biofuels, and their main objective is ensuring the traceability of the biofuel's recycling supply chain.

What the EU ISCC – a mandatory certification of biofuels - and the ISCC PLUS—a voluntary certification for used plastics and other products made with circular

materials—have in common is that both systems require tracing the supply chain of circular materials. These certification systems play an important role in ensuring sustainable resource management and transparent implementation of policy goals by clearly documenting the source and treatment of circular materials.

Objectives

For biofuel certification, paper receipts have been the dominant method used in generating the supply chain data of circular materials. However, the reliability of paper receipts is limited as they can be forged, and the process of issuing and storing paper receipts and converting the data into spreadsheets requires a significant workload and cost. In fact, some companies managing data with paper receipts to qualify for certification standards employ as many as 40 employees to keep track of receipts and enter data, which can cost about KRW 235 million per month.

These issues can cause greenwashing of biofuels, which is an ongoing concern in Europe and the US. More specifically, environmental organizations are concerned that greenwashing may affect the Sustainable Aviation Fuel (SAF) market. In response to market concerns and

to increase credibility, Europe's certification agency announced plans to make the digital certification of biofuels mandatory from January 1, 2024. The move represents an important step in increasing transparency in the biofuel supply chain and ensuring environmental sustainability.

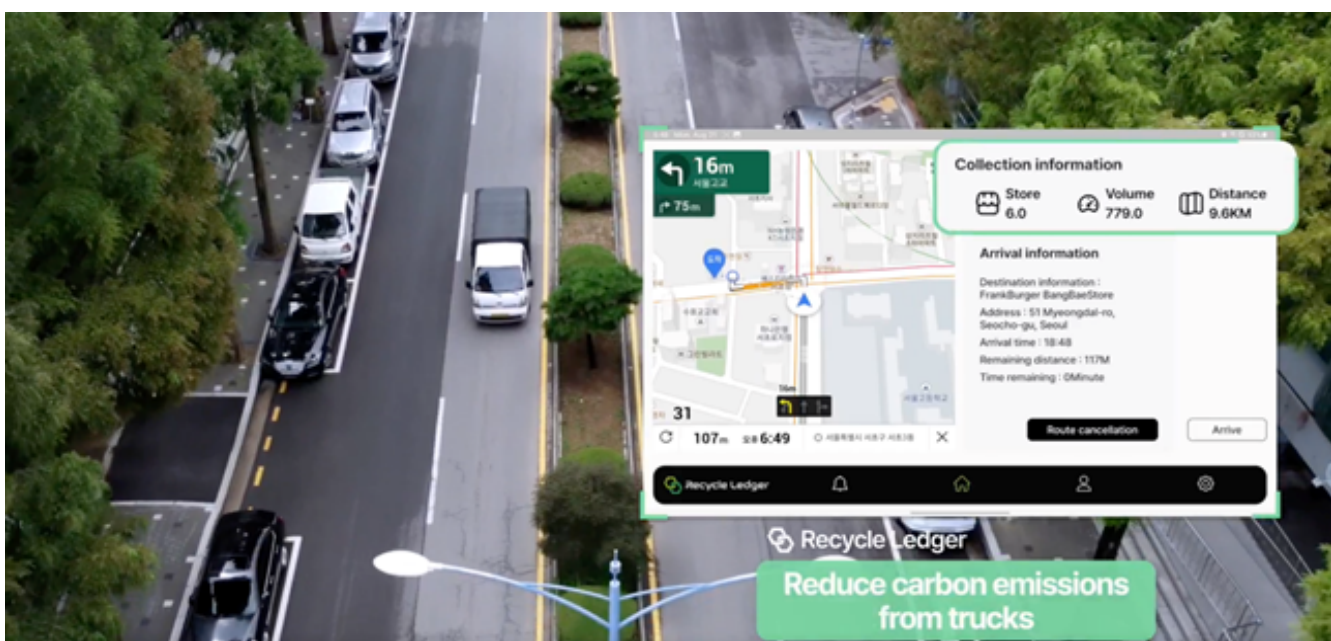
About the Product

Recycle Ledger: Service Concept

- Collection of recyclables: Upon initial collection of recyclables, the collector uses Recycle Ledger's app and IoT sensors to automatically record the collection information. The system maximizes the efficiency of the collection process and ensures data accuracy.
- Carbon footprint tracking and certification: As the recyclables go through the collection process, their carbon footprint is tracked and certified based on the data collected online. This is key to sustainable resource management and environmental regulations compliance

Automation with Apps & IoT Sensors

- Use of various IoT sensors: The system integrates various IoT sensors including AI image recognition, e-signatures, RFID, and flowmeters to automatically



generate information about circular materials emission. The system is designed to suit different collection conditions around the world.

- Carbon emissions tracking: Recycle Ledger minimizes and manages environmental impact by measuring the distance traveled by trucks during the collection process and calculating carbon emissions.

Web-Based End-to-End Tracking and Certification of Circular Materials Supply Chain

- Transaction tracking: Recycle Ledger tracks the transaction history between collectors, biofuel producers, traders, and end buyers based on the circular materials information registered in the app. The system enables transparent supply chain management of circular materials.

- Transportation carbon emission tracking: Recycle Ledger tracks carbon emissions by measuring the distance traveled in the transportation process (trucks, cargo ships, etc.).

- Certification features: Recycle Ledger provides disposal source validation, automatic calculation of carbon emissions, and random sampling for American and European certification bodies.

Recycle Ledger maximizes the accuracy and efficiency of circular materials management and environmental sustainability with these technologies and services.

Competitive Edge and Business Strategy

Competitive Edge

Recycle Ledger is Korea's only provider of a system that is directly used by two major US certification organizations, which has 16 certifications. The system allows the longest traceability from the disposal source and collectors to biofuel producer and end customer, as well as the certification organizations. Whereas competitors depend on manual data entry, Recycle Ledger uses IoT sensors to automatically record volume data, giving it an edge in reliability. The company is also in the process of filing PCT and European patent applications to secure and protect its technological edge. These technological advancements contribute significantly to Recycle Ledger's

unique position in the market.

Business Strategy

Recycle Ledger is actively expanding its global network with sales activities based on its record of having obtained certifications and tracking circular materials in the US. The company is also setting up booths at biofuel conferences in the US, UK and Singapore to increase brand visibility. At the same time, Recycle Ledger's technology-driven strategy allows it to create more accurate tracking information with IoT technology and focus on technology development. Based on these efforts, Recycle Ledger applied for patents at home and abroad to secure its technological edge and intellectual property rights. These strategies are helping Recycle Ledger to strengthen its competitiveness in the field of circular materials management and further consolidate its position in the market.

Future Plans

Recycle Ledger is pursuing a forward-looking growth plan. In 2024, the company successfully launched its Fish-Fat pilot project in Vietnam and plans to expand its business in the Asian market. In 2025, the company plans to enter the European and American markets, and it is currently negotiating with investors in the US and Switzerland. In 2026, Recycle Ledger plans to expand its plastic waste recycling services and launch a voluntary carbon point project in the circular materials supply chain. The step-by-step approach will play an important role in positioning Recycle Ledger as a leading provider of sustainable resource management solutions in the global market.

By Kim Gee Jong

Chief Executive Officer

Recycle Ledger

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

Are there any disadvantages when a foreign investor fails to register as a foreign-invested company?

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



Are there any disadvantages when a foreign investor fails to register as a foreign-invested company?



A foreign investor who fails to register as a foreign-invested company cannot prove that his/her foreign investment has been completed. As a result, matters such as visa applications for a stay in Korea or the transfer of dividends or proceeds from the sale of stocks to foreign countries cannot be processed.

- Therefore, all foreigners who have completed a foreign investment (including partial execution of investment satisfying the requirements for foreign investment under the Foreign Investment Promotion Act) should apply for registration (registration of alteration) as a foreign-invested company within 60 days from the occurrence of relevant events*, as prescribed by Article 21 of the Foreign Investment Promotion Act.

* Occurrence of relevant events: The completion of payment for the object of investment, the completion of acquisition of stocks, etc. (settlement of payments), or the completion of contributions

- In addition, a delay or other disadvantages may be experienced in cases requiring a certificate of the registration of a foreign-invested company (when renting an office or a facility in a foreign investment zone or applying for exemption from the mandatory bond purchase under the Housing Act or the Urban Railroad Act)

For further inquiries, please contact the Investment Consulting Center

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www.investkorea.org




Overview of Industrial Sites

The type and business category of the relevant company should be considered when selecting the business site of the foreign-invested company. National industrial complexes and general industrial complexes are planned sites in which major customers and related facilities are clustered. It is relatively easier to secure land there, and they offer optimum conditions for operating a business. In Korea, there are certain types of sites developed to attract foreign direct investment. Foreign-invested businesses may consider operating their business in foreign investment zones, free economic zones and free trade zones that have been developed to attract foreign direct investment. They may also consider other planned locations or individual locations with conditions that are suitable for the type of business they plan to operate.

Industrial sites can be divided into planned sites and individual sites. For example, in the case of a manufacturing business, which is the most common type of business in industrial sites, a production facility should be established. The factory establishment and permit/licensing procedures vary by location. When a factory is established on an individual site, the permit or licensing procedure is complicated. However, the factory establishment period and permit/ licensing procedures are simplified in industrial complexes or other planned sites that have been developed to facilitate manufacturing businesses. When a candidate site for a manufacturing business is found, it is necessary to examine the restrictions on land use, whether factory establishment is permitted, and whether environmental regulations apply.

Types of sites that may be considered by foreign investors

Planned Sites	 Industrial complexes National industrial complexes, general industrial complexes, urban industrial complexes for advanced high-tech businesses, industrial and agricultural complexes, and leasetype industrial complexes
	 Locations focusing on foreign investment attraction Foreign investment zones (complexes for lease exclusively to foreign-invested companies), free economic zones, free trade zones
	 Key industrial regions to attract local and foreign investment Saemangeum, enterprise cities, Jeju Special Autonomous Province, high-tech investment zones
	 Clusters for R&D, technology, and specific business categories Special R&D zones, international science business belt, advanced medical complex, industrial parks specializing in basic industries, industrial technology parks, environment industry research complex, venture business promotion regions, new technology startup cluster region, urban small business cluster regions
	 Smart Regulatory Innovation District Regulation-free zones, Special zones for regional development
	 Sites for balanced regional development National industrial complex for innovation and convergence, Innovation cities, and Administrative cities
Individual Sites	 Locations satisfying the zoning requirements under the National Land Planning and Utilization Act for constructing and operating factories (factory establishment approval, startup business plan approval)

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KOREA Unique Venue

Discover the unique beauty of diverse regions throughout 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!

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.

Incentives for Organizers

❖ 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:

1. 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.
2. 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>.



K-MICE



KOREA UNIQUE
VENUE



DAEGU

Daegu Art Factory



Daegu Art Factory started its life as a tobacco manufacturing factory in 1910 and transformed itself into an arts creation space thanks to the government's "Creation of Cultural Art Creative Belt Project" in 2013. It has various spaces such as Exhibition Halls, Temporary Artwork Storage Room, Collaborative Studio, Class Room, Art Information Center, and Meeting Room. Various exhibitions and performances are held in Daegu Art Factory year-round.

Venue & Rental Information

- Address: 31-12 Dalsung-ro 22-gil, Jung-gu, Daegu, Korea
- Phone Number: +82-53-430-1225~9
- Homepage: www.daeguartfactory.kr/front/index.php?lang=ENG
- Inquiries: +82-53-430-1226 / artfactorydg@naver.com
- Major Events Held in Recent Years: Global Project "Light, Art, Humanity" Exhibition (2019) / 10th Anniversary of Daegu Foundation for Culture (2019) / GLITCH & VISUAL ART <PANDEMIC> Exhibition (2019)

Other Major Events Held in Recent Years

- Name of the Event: <Suchang-dong Spin-off> Exhibition, Daegu Art Factory's New Artists Discovery Project / Exhibition
- Date of the Event: Every month for a newly selected artist
- Event Details: <Suchang-dong Spin-off> Exhibition, Daegu Art Factory's New Artists Discovery Project. Provide exhibition opportunities for promising but economically struggling young artists in Daegu.
- Participants: Public visitors

Source: Korea Tourism Organization, "2022 KOREA Unique Venue"

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.

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 Plaza (IKP)

Invest KOREA Plaza (IKP) is Korea's first facility dedicated to the incubation and investment of foreign investor. 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



1 Reporting on persons related with private interests and applications for recusal



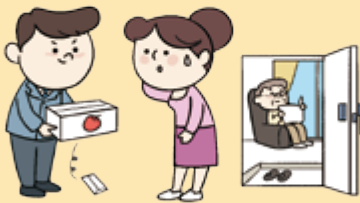
2 Reporting on possession or purchase of real estate in connection with duties of public institutions



3 Submission of details of high-ranking officials' business activities in the private sector



4 Reporting on transactions with persons related to duties



To secure fairness in the performance of public duties

The Act on the Prevention of

Conflict of Interest Related to Duties of Public Servants



Anti-Corruption &
Civil Rights Commission
Republic of Korea

5 Reporting on personal contact with retirees (golf, travel, or speculative entertainment)



6 Restrictions on outside activities related to duties



7 Restrictions on employment of family members



8 Restrictions on conclusion of negotiated contracts



9 Prohibition of private use of or profit-making from goods of public institutions



10 Prohibition of use of confidential information in course of performing duties



KOTRA's Global Network

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