

## Foreign Direct Investment

**S. Korea bags USD 610 mn investment from 3 U.S. firms**

South Korea's industry ministry said on June 26 the country has secured USD 610 million worth of investment from three U.S. companies, in a move expected to further bolster bilateral ties in emerging industries and the global supply chain.

The three companies—On Semiconductor Corp., Corning Inc., and Pacifico Ener-

gy—confirmed their investment plan during a visit by Industry Minister Ahn Duk-geun to Washington, according to the Ministry of Trade, Industry and Energy.

"The investment proves global firms' unwavering confidence in South Korea's potential in cutting-edge industries and the energy sector," Ahn said in a statement.

**Fujifilm completes building color resist plant in S. Korea**

A local unit of Japan's Fujifilm has completed a color resist production line in South Korea, Seoul's industry ministry said on June 14.

Fujifilm Electronics Materials Korea Ltd., the local arm of the Japanese company, held a ceremony marking the completion of the color resist production line in Pyeongtaek,

60 kilometers south of Seoul, according to the Ministry of Trade, Industry and Energy.

Fujifilm holds more than 80 percent of the global market for color resist used in the production of image sensors, a type of semiconductor applied in digital cameras, smartphones and drones.

**Sealy Korea to invest USD 30 mn in new Yeosu factory**

Sealy Asia Pacific Managing Director Simon Dyer announced that Sealy Korea is the fastest-growing operation within Sealy globally. To accommodate this growth, Sealy Korea will invest around USD 30 million to build a new factory in Yeosu, Gyeonggi Province, to increase production capacity.

Dyer described Korea as a market with a modern economic system and a diverse bed culture, presenting significant opportunities for growth. He also highlighted Korea's unique bed technologies that cannot found

elsewhere, such as stone and clay beds. He acknowledged the presence of long-established local bed companies with excellent expertise and technology, making Korea an attractive market for Sealy.

Sealy Korea plans to build a new factory near its current Yeosu plant and relocate within two to three years. The company currently imports key components such as springs from Australia, but the completion of the new factory will allow for local manufacturing.

## Industry

**Public-private consultative body launched to boost EV battery service sector**

In a concerted effort to expand the electric vehicle (EV) battery service market, major South Korean companies, including Hyundai Motor Co. and LG Energy Solution Ltd., have joined forces with the government.

The Korea Battery Industry Association (KBIA) announced on June 18 the launch of a public-private joint consultative body dedicated to EV battery services. This initiative aims to foster cooperation between government bodies and leading companies in the EV sector.

The launch event, held in Seoul, saw

participation from the Ministry of Trade, Industry, and Energy, the Ministry of Land, Infrastructure, and Transport, and the Ministry of Environment, along with companies including Hyundai Motor, Kia Corp., Hyundai Glovis Co., LG Energy Solution, SK on Co., and PM Grow Co.

The forum addressed major consumer concerns, such as charging infrastructure and EV safety, by highlighting solutions like battery performance diagnostics, battery subscription and replacement, and mobile charging services.

## Trade &amp; Commerce

**Exports extend gains to 9th straight month in June**

South Korea's exports extended on-year gains to the ninth straight month in June on the back of record performance of semiconductors, data showed on June 1.

Outbound shipments rose 5.1 percent on-year to USD 57 billion last month, according to the data compiled by the Ministry of Trade, Industry and Energy.

By sector, exports of semiconductors, the

backbone of Asia's No. 4 economy, shot up 50.9 percent over the period to USD 13.4 billion. This marked eight consecutive months of year-on-year growth.

The ministry attributed the gains to the rising prices of memory chips, along with strong demand from the cloud computing and artificial intelligence sectors.

**S. Korea's pharmaceutical, biotechnology exports spike 55 pct on-year in H1**

South Korea's exports of pharmaceutical and bio technologies surged from a year earlier in the first half of the year, data showed on June 29.

In the first six months of the year, the country exported KRW 4.5 trillion (USD 3.26 billion) worth of pharmaceutical and bio technologies, up 55 percent from KRW

2.9 trillion for the same period last year, according to the data from the Korea Pharmaceutical and Bio-Pharma Manufacturers Association.

At the current rate, the country's annual total is expected to reach 8 trillion won, according to the association.

## Government &amp; Policy

**S. Korea to provide KRW 17 tn of policy financing for chip industry investment**

The finance ministry said on June 26 it will provide low-interest loans of KRW 17 trillion won (USD 12.2 billion) next month for corporate investment in the semiconductor industry and will push to extend tax benefits for investment in strategic technologies.

It is part of execution plans for the comprehensive support package worth KRW 26 trillion announced by President Yoon Suk

Yeol last month and designed to support the key industry amid intensifying global competition.

Under the plan, the government will launch the financial support program worth KRW 17 trillion in July to be available for domestic and foreign companies that make a fresh investment in the chip industry at home, according to the Ministry of Economy and Finance.

**Yoon unveils ODZs with major tax benefits**

South Korean President Yoon Suk Yeol announced specific areas across the country will be designated as the first so-called Opportunity Development Zones (ODZs). They are part of a national designation program that aims to attract corporate investment in certain areas via tax advantages, regulatory exemptions, and financial support.

Yoon approved a designation proposal from the Ministry of Trade, Industry, and Energy on June 20 at the 9th provincial council meeting in Pohang, North Gyeongsang Province.

The approval will result in the creation

of specialized industrial complexes in 20 areas. Among the regions, Pohang will house an opportunity zone of 2 million square meters that focuses on secondary batteries and relevant industries. North Gyeongsang Province's Gumi will have a 1.8 million square meters zone specializing in semiconductors, secondary batteries, and defense equipment, while an industrial zone for liquefied natural gas (LNG) terminals, hydrogen production, and power generation spanning over 1.12 million square meters will be built in Yeosu, South Jeolla Province.