High-Tech Industry Investment Zone

A. Overview

• The zone is designated to support companies investing in high-tech industries* by providing them with land for lease and customized de-regulation. The zone is classified into complex-types designated in certain areas, and individual-types designated in the area desired by companies.

*High tech industries: ① Research and production of high-technology and high-tech products pursuant to the Industrial Development Act, ② Investments for operating businesses accompanying new growthdriver industry technology under the Restriction of Special Taxation Act.

B. Requirements for Designation

1) Complex-type

❶ Eligible tenants shall be persons intending to invest in high technology satisfying the following requirements and their suppliers:

a. Manufacturing, IT, knowledge service business: Investment of KRW 1 billion or more.

b. R&D related to advanced technology and products in which investment was made: The investment shall be KRW 100 mil. or more and the number of full-time employees (limited to R&D personnel) shall be five or more.

c. Other investments in high technology: The conditions classified by business type and facility announced by the Minister of Trade, Industry and Energy after a consultation with the management authority of the high-tech investment zone shall be met.

❷ The development project of the area for which application for designation is made shall be completed and immediate movein shall be possible.

❸ The area for which application for designation is made shall be 50,000 square meters or wider.

❹ The area for which demand for investment was confirmed shall be 60/100 or larger compared to the area for which application for designation was made.

2) Individual-type

❶ Manufacturing, telecommunication, knowledge service business: Investment of KRW 30 bil. or more or creation of new employment of 100 or more full-time employees

❷ Logistics terminal complex, joint distribution center: Investment of KRW 10 bil. or more or creation of new employment of 80 or more full-time employees.

❸ R&D on technology and products eligible for investment: Either of the following shall be satisfied:

a. The investment shall be KRW 2 bil. or more and the number of full-time employees (limited to research personnel) is 10 or more.

b. The investment amount shall be KRW 100 mil. or more and the number of new full-time employees is 40 or more (including 5 or more research personnel).

❹ Other high-tech investments: Where the need for designation is recognized through deliberation of the high-tech investment zone committee