

Invest Korea

January 2021

Looking Ahead to 2021

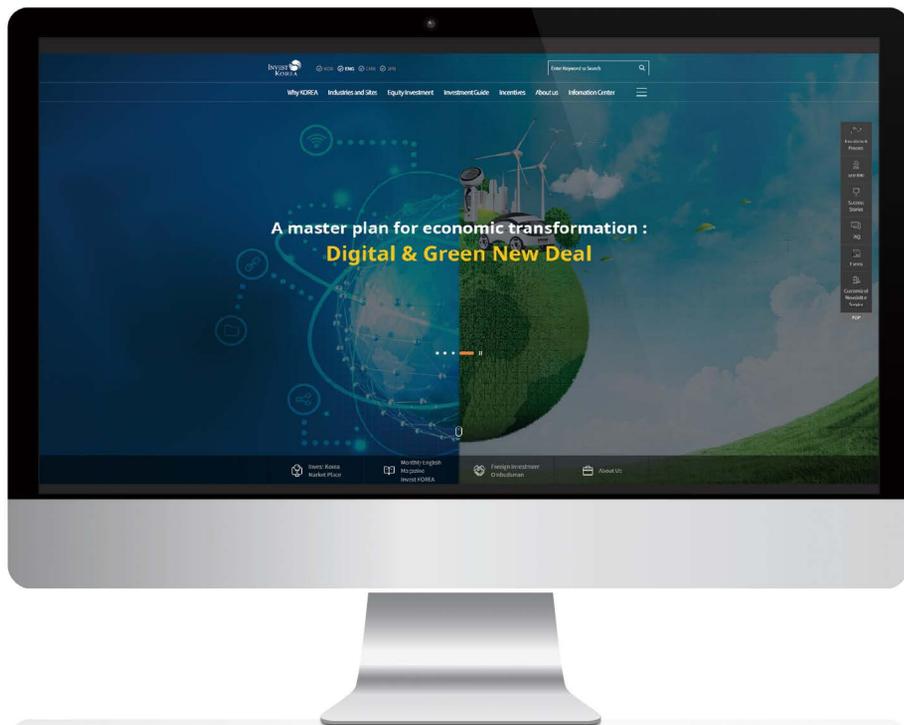
Shawn Chang

Head of Invest KOREA

Korea, a World Leading ICT Powerhouse
Trends and Outlook of Korea's ICT Industry
Mecca of Global ICT Convergence, Pangyo Techno Valley

We're Renewing our Website!

 <http://www.investkorea.org>



Invest KOREA's website, which serves as the nation's portal for investment attraction, has been renewed. Here, you can find all you need to know about Korea—general information, industrial information, site information, or investment information. The customized search feature enables users to find what's currently available for investment, industrial complex information, and projects of each region.

Start your investment in Korea with the renewed Invest KOREA website.

ICT

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Foreign Direct Investment

S. Korea's FX reserves up for 9th straight month in December

South Korea's foreign reserves rose for the ninth straight month in December last year, supported by an increase in investment returns, central bank data showed Jan. 6.

The nation's foreign reserves came to a record high of USD 443.1 billion as of end-December, up USD 6.72 billion from a month earlier, according to the Bank of Korea (BOK).

Foreign securities came to USD 409.8 bil-

lion as of end-December, up USD 15.2 billion from the previous month and accounting for 92.5 percent of the FX reserves. Deposits fell USD 9.05 billion on-month to USD 20.2 billion, and gold holdings remained unchanged at USD 4.79 billion.

As of the end of November, S. Korea was the world's ninth-largest holder of foreign exchange reserves.

Netherlands' IMC expected join Seoul bourse as a market marker in spring

Netherlands-based brokerage house IMC is tapping business opening in S. Korea, which would make the first foreign entry in local brokerage in four years.

If it gets a final nod from the Financial Supervisory Service (FSS) by February, the Dutch firm is able to start business in spring under tentative name IMC Securities Korea. There had not been a foreign brokerage opening over the last four years since China Merchants Securities and Mizuho Securities.

IMC was founded by two traders working

on the floor of the Amsterdam Equity Options Exchange in 1989. It specializes in the role of a high-volume market maker in more than 100 exchanges around the world with more than 800 employees and four offices worldwide.

"The selection criteria for market makers vary with the product type. There's no discriminatory rule for foreign brokerages, and all firms will be evaluated under the same criteria," said an official from the Korea Exchange.

Starbucks Coffee Korea benefits big from drive-thru amid virus outbreak

Drive-thru service has worked out well for Starbucks Coffee Korea Co., the No. 1 coffeehouse chain in S. Korea, as it helped to offset business shutdowns during outbreaks.

The local operator of the global coffee chain brand said Dec. 22 that the number of Starbucks customers registered to its My DT Pass membership reached another milestone of 1.5 million after breaking 1 million just about eight months ago.

Takeout orders made via drive-thru branches from Jan. to Nov. in 2020 jumped 46 percent compared to the same period last year.

Of them, four out of 10 customers were My DT Pass users this year, up 53 percent on year.

Starbucks introduced drive-thru service in Korea in 2012 and now runs total of 280 outlets, making up 20 percent of its entire 1,480 outlets operating across Korea. The company also added a virtual order system, which allows customers to talk to Starbucks employees via a screen and make orders. The Korean office was the first among the global coffee giant's businesses to introduce the service.

Trade & Commerce

S. Korea's eco-friendly car exports jump 40 pct in 2020

S. Korea's exports of environment-friendly vehicles jumped 40 percent in 2020 from a year earlier on growing demand for less-emitting cars, the trade ministry said Jan. 3.

Exports of all-electric and hydrogen fuel-cell electric vehicles climbed to USD 4.6 billion last year from USD 3.3 billion a year ago, according to the Ministry of

Trade, Industry and Energy.

Eco-friendly vehicles accounted for 12 percent of the country's overall vehicle shipments last year, up from 7.7 percent the previous year, the ministry said.

Hyundai Motor Group, the country's biggest carmaker by sales, mainly exports all-electric models, the Kona EV and the Ioniq Electric, and the Nexso hydrogen car.

Trade & Commerce

S. Korea's tech trade at record high last year: data

S. Korea's technology trade reached an all-time high of USD 31.6 billion last year, up 10.1 percent from 2018, government data showed Dec. 22.

Technology trade refers to the country's international technology transactions, such as the use of patents, licenses and technical services, as opposed to tech products, according to the Ministry of Science and ICT.

The ICT ministry said outbound technol-

ogy transfers amounted to USD 13.8 billion last year, compared with imports of USD 17.9 billion, leading to a trade deficit of USD 4.1 billion that highlights S. Korea's reliance on foreign technology.

By country, S. Korea had the largest technology trade with the United States at \$9.8 billion, accounting for 30.9 percent of last year's total.

Industry

S. Korea's 5G download speed fastest globally: report

S. Korea has the fastest 5G download speed in the world, reaching over 350 megabits per second (Mbps), a report showed Dec. 21.

The country's 5G download speed stood at an average 351.2 Mbps, followed by Saudi Arabia at 272.8 Mbps and Taiwan at 247.7 Mbps, industry tracker Opensignal said in a report, citing data collected between Sept. 1 and Nov. 29 in 15 global markets with 5G networks.

S. Korea was the first country to commercialize the latest generation network in April last year and has racked up just under 10 million 5G users as of end-October, accounting for 14 percent of the country's total 70 million mobile subscriptions.

The country's three major mobile carriers promised earlier this year to spend up to KRW 25.7 trillion (USD 23.3 billion) until 2022 to update network infrastructure and establish nationwide 5G coverage.

EV battery makers set to report robust Q4 results on strong demand

S. Korea's three electric vehicle (EV) battery makers are expected to report robust or improved fourth-quarter earnings results on growing demand for electrified vehicles, analysts said Jan. 3.

LG Energy Solutions Ltd., SK Innovation Co. and Samsung SDI Co. likely performed well in the Oct.-Dec. period as carmakers are adding more battery-powered models to their

lineups due to emissions restrictions, they said.

The three Korean companies accounted for 34 percent of the world's car battery markets from January to November last year, with their combined market share jumping from 17 percent during the same period of 2019, according to market tracker SNE Research.

Government & Policy

S. Korea to invest over 250 bln won in AI, software education in 2021

S. Korea's ICT ministry said Jan. 7 it will invest KRW 262.6 billion (USD 242 million) to foster education in artificial intelligence (AI) and software this year as part of the country's digital New Deal program that seeks to boost jobs in new tech industries.

S. Korea last year unveiled the digital New Deal, which aims to spend 58.2 trillion won on key tech investments, such as AI, to create around 900,000 jobs by 2025.

The Ministry of Science and ICT said it plans to educate around 16,000 AI and soft-

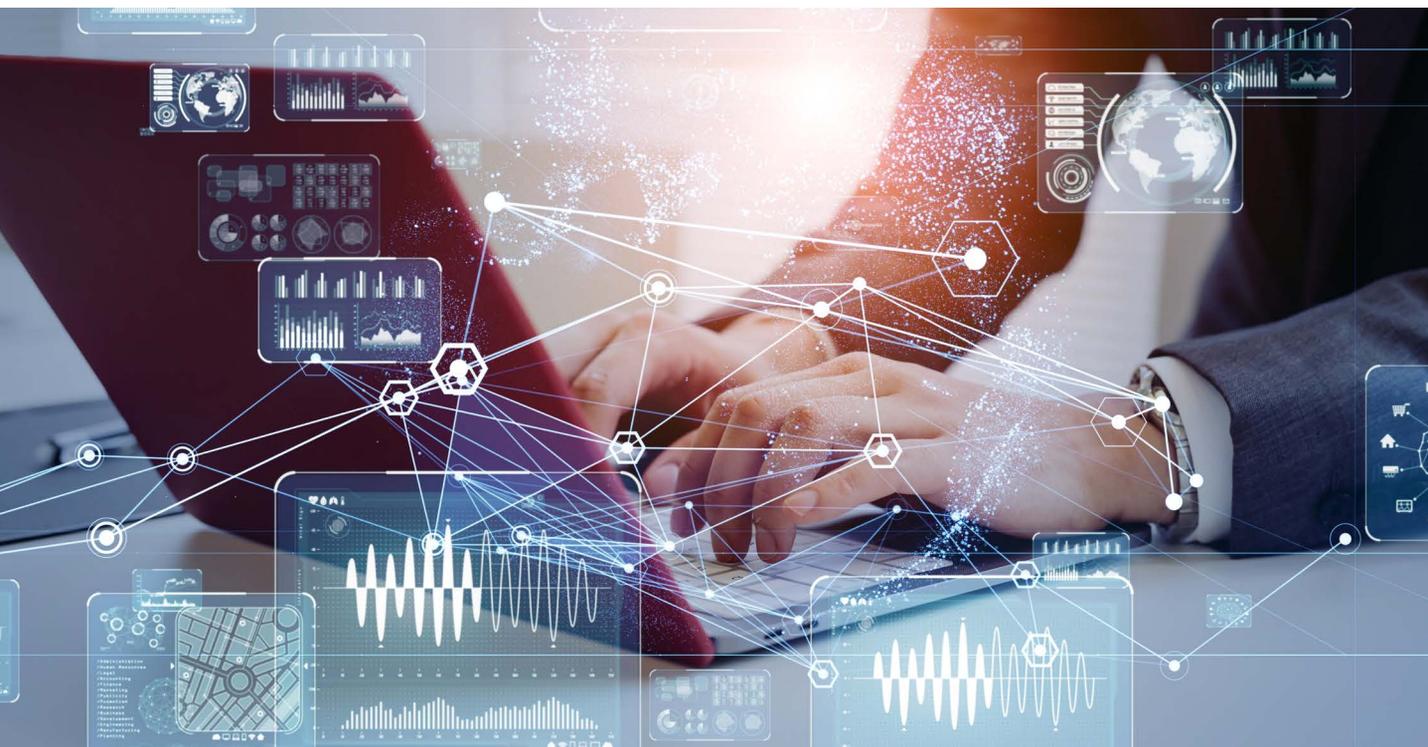
ware specialists this year as part of its goal to foster a total of 100,000 high-tech workers in the sectors by 2025.

The ministry plans to add two additional graduate programs that specialize in AI this year, leading to a total of 10, and also provide support to 42 software research labs that focus on AI and big data technologies. It added it will designate around 500 elementary and middle schools for AI education as well as establish a new software-focused school in the southern port city of Busan.

Korea, a World Leading ICT Powerhouse

Numerous global indices have proven Korea's status as the nation with the world's best digital infrastructure. Korea ranks first in ICT distribution, and it topped the e-participation index of the UN e-government survey. In fact, Korea was also agile in responding to the COVID-19 pandemic based on its digital technologies and infrastructure.

Let's find out more about the nation's achievements.



In the age of the COVID-19 pandemic where contact-free engagement has become the new normal, digital infrastructure is now emerging as a critical source that substantially contributes not only to economic development but to societal benefits and even disease prevention and control efforts.

Harnessing its highly advanced ICT infrastructure and technological capabilities long established, Korea has shown a data-driven pandemic response in combination with contact-tracing applications to track new infections and data-sharing platforms through which citizens can gain access to real-time information on where and when to buy face masks in the midst of the crisis. In addition, by swiftly transitioning face-to-face classrooms to online learning in schools, the country has successfully taken a proactive approach to a new way of life where contactless services take place of in-person transactions.

According to the World Economic Forum, Korea ranked first in the ICT Development Index, topping the list for two consecutive years. Additionally, Korea also maintained the top spot in the list of countries

for smartphone penetration rate, fixed broadband subscription rate (per 100 people) and 4G download speed as of 2019, boasting the world's best digital infrastructure. More recently, being first in the world to launch commercial 5G service in April 2019, Seoul has proved once again that it's the world's leading tech innovator.

Based on its top-notch ICT resources, the Korean government unveiled the "Digital New Deal" in July 2020 as part of the Korean New Deal, which lays out a grand plan instituted to well respond to the post-pandemic economy and to move toward the digital economy. Overall, the authorities proposed spending nearly KRW 58.2 trillion over the next five years on 12 detailed tasks entailing four separate segments: the development of a digital ecosystem underpinned by D.N.A. (an acronym standing for data, network and artificial intelligence) technologies, digital transformation in education, transition to a contact-free economy, and digitization in social overhead capital (SOC).

ICT Adoption Index (2019)

1st		Korea
2nd		UAE
3rd		Hong Kong
5th		Singapore
6th		Japan
18th		China
27th		U.S.
28th		France
31th		UK
36th		Germany

Fibre Internet Subscriptions Rate (2019)

1st		Korea	31.9%
3rd		Hong Kong	27.8
4th		UAE	27.7
5th		Sweden	24.1
6th		China	23.9
7th		Japan	23.8
8th		Singapore	22.3

Source: World Economic Forum (WEF), "Global Competitiveness Report 2019"

Smartphone Penetration Rate (2019)	Households with Internet Access (2019)	4G Download Speed (2019, Mbps)	Active Social Network Penetration Rate (Jan. 2020)
1st Korea 95%	1st Korea 99.7%	1st Korea 52.4 Mbps	1st UAE 99%
4th Sweden 86%	2nd Netherlands 98.4%	2nd Norway 48.2	2nd Taiwan 88%
6th U.S 81%	2nd Norway 98.4%	3rd Canada 42.5	3th Korea 87%
8th Germany 78%	6th UK 95.8%	4th Netherland 42.4	4th Malaysia 81%
13th Japan 66%	10th Germany 94.8%	5th Singapore 39.3	5th Singapore 79%
21st Brazil 60%	15th France 90.2%	6th Australia 37.4	6th Hong Kong 78%
28th India 24%	28th U.S 79.9%	7th Switzerland 35.2	7th Argentina 76%

Source : World Economic Forum (2019), Pew Research (2019), Open Signal (2019), Statista

< The Digital New Deal's 12 Tasks in 4 Sectors >

Strengthening of the D.N.A. Ecosystem	Digital Transformation in Education Infrastructure	Promotion of Contact-Free Services	Digitization in Social Overhead Capital (SOC)
① Build, open and utilize data assets	⑤ Create digital-based education infrastructure in elementary, middle and high schools.	⑦ Develop smart infrastructure for medical and care services	⑩ Establish digital management systems for core infrastructure in four major fields
② Extend 5G and AI convergence to all industrial applications		⑧ Encourage a remote working culture among SMEs	⑪ Promote digital innovation in urban/ industrial complex spaces
③ Promote 5G-AI-based smart government	⑥ Promote e-learning across universities and vocational schools nationwide	⑨ Support online businesses for small enterprises	⑫ Build smart logistics systems
④ Develop K-cyber quarantine system			

Source: Press release(July 15, 2020)“Digital New Deal, leading the digital transition after COVID-19”, Ministry of Science and ICT

Korea's E-Government System Exported Worldwide

Korea has taken the lead twice in a row in terms of the United Nation's E-Participation Survey, which presents the state of digital services facilitated in a member country. In another indicator, the E-Government Development Index (EGDI), Korea placed second among other members. With such outstanding performance, Korea has started to export its digital government services, which reaffirms the government's strong commitment to gearing up for digitalization and its prowess in digital infrastructure.

Korea, a global ICT powerhouse, will become one of the most attractive investment destinations for many foreign investors looking for new growth opportunities

in the post COVID-19 world. In the February issue, Invest Korea will cover "Korea's Innovation Capacity: Why Korea is Asia's most innovative country."

By Hyo Jung Jang

Assistant Manager

Investment Public Relations Team

Korea Trade-Investment Promotion Agency (KOTRA)

E-Government Development Index (2020)

1		Denmark
2nd		Korea
5		Australia
7		UK
9		U.S.
11		Singapore
14		Japan
21		UAE
25		Germany
28		Canada
45		China

E-Participation Index (2020)

1st		Korea
1		U.S.
1		Estonia
4		Japan
4		New Zealand
6		UK
9		China
16		Canada
18		Brazil
29		India
36		Spain

Source: 2020 UN E-Government Survey (July 10, 2020)

Cover Story:

Shawn Chang

Head of Invest KOREA



Looking Ahead to 2021

Invest Korea magazine talks to Shawn Chang, Head of Invest KOREA, to hear more about Korea's business environment amid COVID-19 and his aspirations for the agency in 2021.

Mr. Chang, it's great to meet with you as we kick off the New Year. Do you have any words for our Invest Korea magazine readers?

First of all, Happy New Year! May this year bring you all health and happiness, and I hope that the pandemic comes to an end soon so we can return to normalcy in our lives as well as meet in person again.

Here at Invest KOREA, we've made many efforts over the past year to digitize our regular activities and ensure uninterrupted services to foreign investors. Additionally, we're revamping our website to offer a wider range of information not only on Korea's business environment, but also that which is useful for everyday life in Korea. In line with this, we've changed the name of our magazine from KOTRA Express to Invest Korea—synonymous with the name of our agency—to place focus on FDI and further enrich the contents we provide to our readers.

An IMF report released in October predicts a grim outlook, saying the global economy is on course to shrink to -4.4 percent due to COVID-19. Can you tell us more about the recent global foreign direct investment (FDI) trends?

Sure. As we're all aware, the pandemic-induced economic recession is taking a toll on global trade

and investment, and the rebound from this is showing signs of stalling.

According to recent data by the United Nations Conference on Trade and Development (UNCTAD), global FDI halved (49%) in the first six months of 2020 from the same period in 2019 and the average annual flows for 2020 appear to be down by about 40 percent year-over-year. As the global investment landscape will most likely remain negative in 2021, I suppose it will take some time to get back to the pre-pandemic levels.

S. Korea isn't immune to the negative impacts of COVID-19 on the global economy, as we're seeing a contraction in FDI here as well. What's your view on FDI inflows to Korea?

Well, Korea has attracted FDI worth USD 20 billion for five consecutive years since 2015. The cumulative amount officially reported in the first half of 2020 declined 22.4 percent year-on-year probably because of the current global health crisis, but Korea's FDI in 2020 Q3, in particular, was large enough to make up for the shortfalls. The FDI aggregates for 2020 Q1-Q3 stand at USD 12.89 billion.

The data presents a stark contrast from the overall contraction in FDI globally. This can be attributed to Korea's effective disease containment measures which have successfully flattened the curve without shutting

down the economy. The authorities' efforts to mitigate the economic shock from COVID-19 would probably be very appealing to foreign investors.

As the country's national investment promotion agency, what direction is Invest KOREA taking to attract FDI?

Since the COVID-19 outbreak, the global economy has undergone changes such as GVC restructuring and digital transformation. In response, the Korean government is working to boost the economy at the policy level through the Korean New Deal.

In line with the central government's policy, Invest KOREA will carry out foreign investment promotion based on the Digital New Deal and Green New Deal, which are both part of the Korean New Deal. Under the Digital New Deal, we're going to focus on the so-called D.N.A. (big data, network, AI), ICT industries as well as the Big 3 industries (system semiconductor, medical bio, future car). Under the Green New Deal, we'll focus on renewable energy and the hydrogen economy.

Invest KOREA's investment attraction activities will be carried out in three main directions. First, we will

continue to attract investment from foreign-invested companies in new growth industries so that Korea can grow into a global hub for high-tech industries.

Second, in cooperation with free economic zones (FEZ) and local governments, we're going to facilitate deregulation and provide incentive packages to help investors planning to establish their entities in Korea's new industrial ecosystems.

Third, we will secure opportunities for sustainable and dynamic growth by strengthening cooperation with Korean startups. Indeed, Korea is experiencing a startup boom based on its world-class ICT infrastructure, human resources, and R&D capabilities.

What role would you say Invest KOREA will play in the future?

Since the pandemic, Korea has proven its competitiveness as a sound investment destination. The world has its eyes on Korea's innovative capabilities which are well demonstrated through the so-called "K-Quarantine" and the country's stability amid COVID-19.

Of course, Korea also has several strengths in terms of its flagship industries, marketability



Shawn Chang presents on Korea's investment environment at IKW 2020.

“ Since the pandemic, Korea has proven its competitiveness as a sound investment destination. The world has its eyes on Korea’s innovative capabilities which are well demonstrated through the so-called “K-Quarantine” and the country’s stability amid COVID-19. ”

and infrastructure. Based on Korea’s assets and government policies, I believe Invest KOREA’s role is to carry out active and strategic investment promotion activities, be a reliable business partner to domestic and foreign companies, and also, to be a bridge for foreign investors doing business in Korea and in Asia as a whole.

Furthermore, we’re here to be a liaison between investors already conducting business here and the government to improve regulations and incentives to continue fostering a favorable investment environment.

How has the COVID-19 pandemic changed how Invest KOREA is carrying out its investment promotion activities?

First of all, our major annual event called Invest Korea Week (IKW) was held online for the first time ever in 2020 from Nov. 11-18 under the theme of “Smart Innovation & Safe Growth with Korea.” IKW is a national investment attraction event held yearly to promote Korea’s investment environment.

What was different about IKW 2020 was that it was hosted together with Arirang TV in the form of a broadcast so that foreign investors and other participants could watch the event in the safety of their homes amid the pandemic.

IKW had always been held offline and in-person, with visitors being able to physically be present. But

last year, investors from all over the world were able to attend through broadcasting and online platforms. As a result, IKW 2020 was broadcast to over 130 million households in 101 countries around the world. Now, we have over 2 million views on YouTube.

Although the pandemic has definitely reshaped the way we hold this event, we still had about 144 investors in attendance (59 in key industries like materials, parts & equipment; 33 in new industries like biotechnology, information & communications; and 52 in service industries like logistics and finance). They held a total of 321 consultations with 204 Korean companies and local governments looking to attract foreign investment. These consultations are projected to reach a total of USD 9.4 billion in investment.

Aside from IKW, we are making great use of online platforms and Korea’s strong ICT infrastructure to continue holding meetings with investors and are also creating new ways to provide information on Korea’s business environment to potential investors around the world.

What is Invest KOREA’s plan for 2021?

We really hope that COVID-19 will be over soon so that we can hold our events offline again. It’d be great to host and meet (in-person) foreign investors who are considering Korea as an investment destination.

More specifically, we’re going to continue working closely with KOTRA’s overseas offices and further concentrate our resources and energy on 60 large-scale business projects that involve renewable energy or online platforms.

Despite these tough times, everyone at Invest KOREA is excited to see what this year holds for us and will work tirelessly to respond to the changes in the global investment environment. We ask for your continued interest and support.

By Grace Park

Executive Consultant

Investment Public Relations Team

Korea Trade-Investment Promotion Agency (KOTRA)

Trends and Outlook of South Korea's ICT Industry

With universal access to ICT resources and technological capabilities, S. Korea, which adopted the world's first commercial Code-Division Multiple Access (CDMA) network (IS-95A) in 1996, LTE-A and high-speed 4G LTE broadband services in 2013, and more recently the first nationwide 5G wireless network, has long been at the forefront of the global ICT industry.

S. Korea, positioned as the world's leading tech innovator, has been topping the list of overall mobile phone sales since 2011, showcasing the latest technologies such as 5G-enabled phones or foldable gadgets in the premium smart phone segment.

Thanks to recent supply deals struck by some of the leading tech companies like Samsung Electronics with the U.S. mobile carriers to help stretch the reach of 5G, Korea has started to show substantial progress in the fields of networking hardware as well. Given that the prevalence of 5G services is predicted to be increasingly common throughout the world, such achievement appears to help boost its market presence in the coming years.

Dubbed as a 5G pioneer, S. Korea was first in the world to launch commercial 5G service and has since been extending nationwide coverage of it, providing the best and the fastest internet connection in the global telecommunications sector.

A Key Industry Driving Korea's Economy

The ICT industry has been a growth driver of the economy, taking up nearly 9 percent of Korea's gross domestic product (GDP) since 2011. In 2019, the industry's real contribution to GDP reached 10.8 percent, equivalent to KRW 199 trillion.

The two main subsectors of the telecommunications industry, telecom equipment and services, are taking an agile approach to shifting market demand and technological trends, making constant investment in innovation, by which the ICT industry can gain growth momentum.

Sales figures of telecom equipment sold in the first six months of the year 2020 was KRW 19.5 trillion, up 5 percent year-over-year. The growth pattern was also observed in other segments as well: devices at 6 percent, networking hardware at 6 percent (KRW 0.1 trn) and wireless telecom services at 9 percent (KRW 1 trn) over the same period.

The overall performance reflects the bright outlook for the market as the launch of 5G commercial services has turned the industry sales positive since 2020 and soaring demand for subsequent generations of network technology such as exponential growth in mobile data traffic, which is closely associated with improved device and connection capabilities, the convergence between media and telecom services and

greater access to cloud computing platforms is likely to further spur industry growth.

5G+ Strategy and the Digital New Deal: Master Plan for Post COVID-19 Digital Transformation

After its 5G debut, S. Korea rolled out a nationwide strategy, dubbed “5G Plus (5G+)” in April 2019, which entails business support policies to focus primarily on 10 5G-based industries (VR, AR, wearable devices, etc.) and five services (smart factory, immersive content, etc.) which are pivotal to the economy. Under this plan, Seoul will set a goal to represent 15 percent of the global market share by the end of 2026, adding 600,000 new jobs. To this end, it will promote private-public partnership to invest upwards of KRW 30 trillion into the formation of the world’s best 5G ecosystem and its nationwide coverage by 2022.

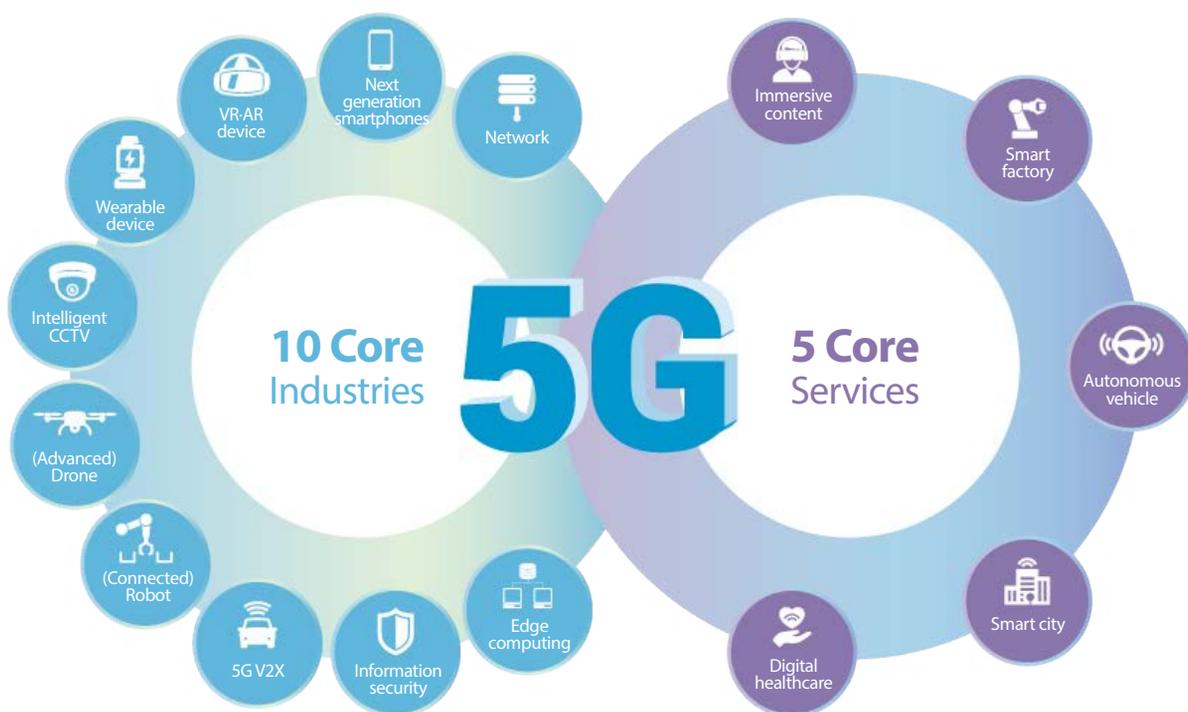
In addition, S. Korea will lead public sector

financing, through which the authorities will launch business feasibility assessments and profitability analysis to substantiate the viability of the aforementioned five main services until 2021. Then, they push forward a follow-up measure called “5G Plus (5G+) Innovation,” designed to provide ubiquitous access to the new services from 2021 to 2025.

In accordance with the 5G + policies, the Korean government has formed a 5G+ strategy committee made up of both private and public entities who will take on the role of agenda setting for cross-government, private-public and multi-stakeholder partnerships.

Aside from the 5G+ initiative, the Moon administration proposed the Korean New Deal on July 2020, which is centered on two main pillars—the Green New Deal and the Digital New Deal. In combination with environmental schemes, the Digital

10 Core Industries and 5 Core Services of the 5G+ Strategy



* Source: 5G+ Strategy for Innovative Growth, Ministry of Science and ICT (MSIT)

New Deal would lay out a grand plan for the digital economy.

To carry out the policies, the S. Korean government plans to put greater emphasis on the development of a digital ecosystem underpinned by D.N.A. (an acronym standing for data, network and artificial intelligence) technologies in an effort to bolster the development of the productivity and production of digital goods and services.

In addition, they have set the goal of cross sector convergence, making 5G, AI and data analytics technologies applicable to almost all industrial sectors, alongside digital inclusiveness which expands 5G coverage nationwide and cloud-based smart e-governance solutions harnessing 5G networks.

In an attempt to unlock the opportunities brought by superfast wireless services, global tech giants who have entered Korea are now joining the global race toward 5G. Swedish telecommunications company Ericsson, which has been a leader in mobile networking services since it first arrived and started to deploy 2G in Korea, recently partnered with a Korean

carrier to co-invest in 5G research and development.

Taking from its years of experience in Korea, Finnish telecom equipment maker Nokia, has worked on advancing its overseas service quality and performance, while offering virtualized network services (VNS) and next generation network solutions which go beyond 5G.

Furthermore, a wide array of global tech companies in different subsectors of 5G, AI, cloud services, e-commerce applications, O2O (online to offline) platforms and even the game business, are coming to Korea in hopes of finding new growth opportunities. As such, the investment boom in Industry 4.0 technologies is projected to continue on for some time.

By Gil-Hyun Ahn

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5G Policies of the Digital New Deal

Policy	Objective	Budget (KRW 1 trn)		Jobs (unit: 10,000)
		'20-'22	'20-'25	'20-'25
Data Dam	<ul style="list-style-type: none"> Enhance data usability through collection, linkage and utilization of information from different sources Lead the world 5G and AI convergence (Nationwide 5G coverage) Tax breaks such as lowering business license tax or investment tax for early deployment of network services (5G convergence) Development of 5G-based services such as immersive content or self-driving technologies 	8.5	18.1	38.9
Smart Governance	<ul style="list-style-type: none"> Adopt digital application to make paperless e-governance and smart workplace (Smart workplace) 5G services available in government buildings/ Transfer public datasets to cloud platforms 	2.5	9.7	9.1
Smart Healthcare Infrastructure	<ul style="list-style-type: none"> Build smart medical infrastructure which lays foundations for contact free remote healthcare service (Smart health clinics) Formation of tech-based digital healthcare facilities 	0.1	0.2	0.2

* Source: Korean New Deal Policy

* The budget and employment target on the table is based upon data sources on overall policy information.



Pangyo Techno Valley, Mecca of Global ICT Convergence

Pangyo Techno Valley is a global convergence R&D hub centered on Information Technology (IT), Bio Technology (BT), Cultural Technology (CT), and Nano Technology (NT). Also, Pangyo Techno Valley is an innovation cluster representing Korea's ICT industry, created to secure the nation's new growth engines such as technological innovation, nurturing talent, job creation, and strengthening international business competitiveness. After the success of the Pangyo Techno Valley, the government is planning the second and third Techno Valley which are expected to grow into a global high-tech cluster with more than 2,000 high-tech companies and 100,000 employees.

Pangyo Techno Valley Overview

Location Description

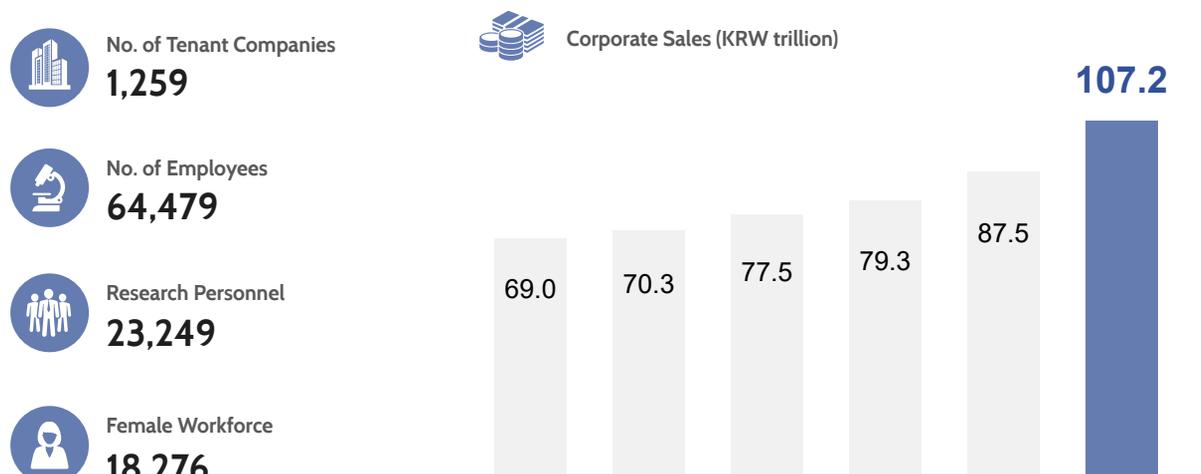
The total sales of tenant companies reached KRW 107.2 trillion as of 2019. With the success of Pangyo Techno Valley, which has about 64,000 employees, a new industrial complex site of 430,402m² is projected to create the world's best start-up innovation ecosystem where high-tech industries such as ICT and knowledge-based cultural industry are integrated. By 2021, high-tech companies are encouraged to move into Pangyo 2nd Techno Valley.

1st Pangyo Techno Valley

Key Highlights

- **Reasonable average land supply price:** 9,520,000/3.3m² (less than half of Gangnam Teheran Techno Valley)
- **Creating synergy through major ICT companies entering Pangyo Techno Valley**
 IT companies: POSCO ICT, AhnLab, MIDAS, IDISS
 CT companies: Kakao, NHN, NCSOFT, Nexon
- **Cooperation with nearby industrial complexes**
 Teheran Techno Valley, Gwanggyo TechnoValley, Gasan Digital Complex, etc.
- **Public and private facilities supporting Pangyo Techno Valley**
 Public facilities include Startup Campus, Gyeonggi Center for Creative Economy & Innovation, Global R&D Center. Private companies provide professional services such as SAP Labs (Design Thinking), mentoring, accounting, patent, and legal advice.
- **Rigorous location management to create an innovation cluster**
 Eligibility screening and restriction on resale (10 years), restrictions on business type or usage change (20 years), etc.

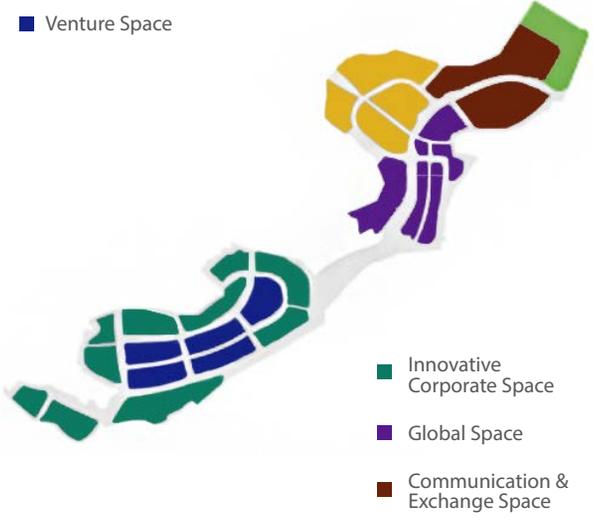
Cluster status



2nd Pangyo Techno Valley

Site Map

- Creative Space
- Growth Space
- Venture Space



Location Overview

Location	Siheung-dong, Geumto-dong, Sujeong-gu, Seongnam-si, Gyeonggi-do
Total Area	430,402m ²
Project Period	2015 to 2021
Sales Target	Headquarters and branches required to be located in the metropolitan area
Average Sales Price (KRW/m²)	Industrial facility: KRW 3,541,761 Complex facility: KRW 3,607,652
Transportation Infrastructure	Pangyo IC: about 3km Pangyo Station: about 4km

Site Development Plan

Creative Space	Create a government-wide corporate supporting hub for startup incubation Provide programs such as start-up training and mentoring in various industries
Growth Space	A space to support growth for companies in the growth stage (3 years after establishment) - Build and operate Corporate Growth Center
Venture Space	Leading venture companies form a consortium to directly foster startups
Innovative Corporate Space	Attract innovative companies or research centers with leading technologies in future new industries
Global Space	Support companies for global advancement in ICT - Build and operate the Global Biz Center
Communication & Exchange Space	Create 'I-Square'—a complex support facility (exhibition, business, commercial, and cultural facility)

Lab to Market Inc.

An innovative intralogistics solution provider

A startup with a strong passion to deliver great solutions to its customers.



Figure 1. Mach4 by Lab to Market

Introduction to Lab to Market Inc.

Lab to Market Inc., is an intralogistics automation solution provider and was founded in 2015, but came out of stealth mode in 2019. Lab to Market started its business using Professor Yoon Seok Chang's IP who is the director of Ubiquitous Technology Application Research Center in Korea Aerospace University, Republic of Korea.

Lab to Market is not just a HW/SW company but a smart solution provider with numerous IP and years of experience in factory and warehouse automation. It has 12 full-time employees, including three Ph.D and three Masters degree holders, along with other staff members with years of experience working in global enterprises. The company's mission is to improve customers' operational efficiency in factory and warehouse with innovative ideas, services and smart solutions.

Lab to Market aims to serve two major business areas: Intralogistics and restaurant automation. Lab to market develops cutting-edge automation technologies: multi-shuttles, mini-load stacker cranes and warehouse execution systems.

Multi-shuttles and mini-load stacker cranes can pick up and store goods in racks, and can handle containers, cartons, tote bags and boxes. In 2016, Lab to Market exhibited its first multi-shuttle in Hannover Messe, Germany (Figure 1) which has been adopted by a global semiconductor enterprise.

In 2020, Lab to Market announced a new multi-shuttle system called, i-shuttle™ series, which is able to change various functional modules considering the operational environment. Lab to Market also provides adoptable application technologies using conventional

rollers, AMR, and collaborative robots.

Motivation/Background for Investment

From the end of 2016, we first launched our overseas business in Malaysia. Then we expanded our business to Thailand, mostly in regional factories of global companies. We have A/S partners in Thailand and Malaysia but due to the lack of resources, there have been limitations to expand despite the many opportunities. We realize that we need to have regional offices and expand partnerships to serve our both our current and future customers.

For the past three years, we have researched and developed new types of intralogistics automation solutions in the university laboratory and a small facility near a university. Due to the growth of the company and new solutions which have been developed, we believe that we need to scale far and wide as fast as possible and need genuine advice from experienced investors/VCs. Also, due to the nature of our technologies, we need resources and space for demonstration, testing and training.

Strengths of Attracting Investment

We are registered as a Foreign-Invested Enterprise by KOTRA (since Sept. 2016). All of our engineers are fluent in English and are ready to work in a global environment.

E-commerce has seen significant global growth,

with an anticipated 265% growth rate from USD 1.3 trillion in 2014 to USD 4.9 trillion in 2021 (beeketing.com/blog/future-e-commerce-2019). The pandemic has accelerated and triggered changes in shopping trends from offline to online. As a consumer society with an internet usage rate of close to 92 percent among the population, it is no surprise that e-commerce holds a strong position in South Korea. Industry figures suggest that the retail e-commerce volume in the country will grow to USD 90.5 billion by 2024, up from USD 41.9 billion in 2017. (<https://www.statista.com/topics/2529/e-commerce-in-south-korea/>).

As more and more retailers and buyers enter the online e-commerce platform to buy and sell products, retailers try to remain competitive by optimizing their supply chains and intralogistics. Intralogistics solutions need to integrate and optimize all the processes/information that occur within a company during product handling. With the growing challenge of fulfilment costs, it's vital for retailers to adopt some form of automation for intralogistics (e.g. warehouses) to improve the fulfillment process from receiving to delivery. The intralogistics market, and the warehouse automation market in particular, was valued at up to USD 15 billion in 2019 and post Covid-19 opportunities are expected to be worth up to USD 30 billion by 2026, at a CAGR of up to 14 percent during the forecast period (<https://www.thelogisticsiq.com/research/warehouse-automation-market/>).

Korea has an excellent position in the development and production of new-type concept and products



Figure 2. Lab to Market's intralogistics demo center in Korea

driven by strong domestic demand. Team members of Lab to Market have years of experience in e-commerce base supply chain execution, warehouse management, automation, MES and WMS in global enterprises. On top of our past experiences, we develop and provide innovative solutions which flexibly adopt to the operation environment, reduce operation costs and

improve operation efficiencies.

Lab to Market has at least three original technologies (multi-shuttle, management system, smart storage) and four application technologies (conveyor connection, analytics tool, picking robot and swarm AGV) among 10 prominent technologies that can remake warehouse operation reported by McKinsey.

10 Prominent Technologies that could Remake Warehouse Operations



Multishuttle system
Typically used with an automated storage and retrieval system (AS/RS) that moves goods (mostly on pallets) in 3 dimensions to store and retrieve items without human intervention.



Analytics tools
Algorithms that help operators analyze performance, identify trends, and make predictions that inform operating decisions, often using machine learning to improve over time.



Optical recognition
Sensors that scan items (often on 6 axes) to apply sortation and other logistics. Examples include a conveyor's diverters, laser-guided vehicles, and camera-based movement of drones.



Conveyor connection
A connection between 2 disparate conveyor systems that often uses decision logic to affect the flow of items. Typically, connections integrate different systems of flow, for example push and pull flows.



Management system
Analytic and digital systems that integrate analytics, performance reporting, and forecasting tools, allowing managers to easily control a full system such as a warehouse.



Smart storage
advanced analytics and digital tools to place and retrieve items in the most efficient way, adjusting storage media based on the product, picking, and order characteristics.



3-D printing
Also called additive manufacturing, this process creates parts by adding layers of a material (metal or plastic, typically) to create a desired shape.



Swarm AGV¹ robots
Autonomous guided vehicles that operate freely or on digital tracks to bring items (often from a storage rack) to a picking station based on instructions from the order-flow software.



Smart glasses
Glasses that augment and assist reality of wearers—for example, by displaying directions to storage locations for picking—reducing inefficiencies of searching.



Picking robot
Systems with robotic arms that mimic human picking motion. Picking robots can be fixed (with goods brought to them) or mobile (traveling to storage to pick items).

10 prominent technologies that could remake warehouse automation (Automation in logistics: Big opportunity, bigger uncertainty, McKinsey, 2019.4)

Key Strategies and Future Plan

We are not targeting the heavy duty industry or process industry but the discrete manufacturing industry and “multi-product small volume” business which is typical in the e-commerce business.

We have two strategies for our business by building two types of partnership approaches: technology partnership and marketing & operation partnership.

Typical processes in a warehouse consist of receiving, putaway, storing, picking, inspection, packing and loading.

1. Technology partnership approach

We are developing a unique original technology for “putaway-storing-picking” automation and developing application technology for an autonomous mobile robot and multi-axis robot by collaborating with innovative high-tech startups to provide the best of breed intralogistics automation solution to our customers.

2. Operation and marketing partnership

With our existing customers in micro-electronics industry, we are looking for partners who are specialized in operating fulfillment centers in general retailers and grocery stores (e.g. cold chain products).

We aim to have partners with micro-fulfillment center operations (8,000-20,000 square feet with 10,000-20,000 SKU). We believe we can bring outstanding performance compared to other existing solution providers in terms of net-profit, order/labor cost, throughput rate, savings in space, etc.

Future plans

In 2021, we aim to open our demonstration site and small assembly and test factory for our multi-shuttle and drive roller-based conveyer near Seoul. With our demonstration center, we will show a kind of industry solution template for our solution.

We are also trying to participate in various exhibitions held in Asia, Middle East, the U.S. and Europe. Currently, we are looking to establish our regional office either in Singapore and Malaysia to serve our customers and expand our business in this region.

By Dr. Chang, Yoon Seok

CEO

Lab to Market Inc.

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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 ICT industry.

COMPANY A		Investment Requirement		Company Profile	
 <p><i>Artificial intelligence software service that automatically converts text</i></p>	Amount	USD 1 million	Patents and Certificates	Applied for 7 patents including "Software that automatically converts text into video".	
	Investment Structure	Financial investment (minority)	Financial Performance	(Sales) USD 0.17 million (in 2019, Unaudited)	
	<p>Investment Highlights</p> <p>The company produces software that automatically converts images into video and text into video. The company has summary model technology based on two methods (synthesis and extraction) using artificial intelligence technology, and its technical competitiveness is superior to competitors who use a simple extraction method. By overcoming the entry barrier with artificial intelligence technology, the company provides software that automatically converts text documents into video content very easily and quickly.</p>				

COMPANY B		Investment Requirement		Company Profile	
 <p><i>Exercise prescription program equipped with software</i></p>	Amount	USD 1.4 million	Patents and Certificates	Applied for 4 patents at home and abroad	
	Investment Structure	Equity Investment, M&A	Financial Performance	(Sales) USD 0.43 million (in 2019, Unaudited)	
	<p>Investment Highlights</p> <p>The company has developed an ICT exercise test solution to prescribe physical exercise suitable for an individual's physical strength based on precise measurements. The solution has dramatically increased service accessibility by enabling anyone to receive an exercise test — which would normally have to be performed while wearing a mask at a hospital and paying expensive test expenses — and by providing customized exercise programs. The company is collaborating with a large fitness franchise company in Korea and plans to expand the service to the healthcare data analytics market based on a health data platform driven by individuals.</p>				

For more information please e-mail ikmp@kotra.or.kr, or visit the Invest Korea Market Place page on www.investkorea.org.

New Epoch of Kospi 3000

What a surge! After a decade-long struggle, the Kospi finally broke through the formidable barrier of 3000, reaching heights no one had ever before imagined. Kospi has meandered up and down around 2000 for more than thirteen years from October 2007 to May 2020. It was back in October 2007 after it first shattered the 2000 mark when everybody was talking and hoping about the Kospi reaching 3000. No one ever expected it would take so long to get to 3000. The cruel reality never let it propel beyond the historical 2000 mark, leaving it hovering around there for more than a decade. It was in January 2021 when it first reached 3150, and it was just like reaching Canaan after 40 years of the Israelites' Exodus wandering the Sinai wilderness.

It is natural to ask why it was possible this time. It was not because of the general macro-economic environment, as COVID-19 has officially spread via a third wave around the world. It was not that the political landscape was particularly favorable as incumbent political leaders around the world are facing serious challenges. Notwithstanding the unfavorable macroeconomic environment and shaken political leadership, the Kospi index was able to skyrocket mainly because of the bright light, like that of the northern star, which semiconductor producers in Korea have shed throughout the COVID-19 pandemic. Understanding that the pandemic has profoundly changed the world's economic normal, and that the IT industry should be the leading player in that change, some Korean firms should be able to reap the benefits of such changes. With such prospects, the Korean people, especially the younger generation, rushed towards the stock market, and history was made. Of course, plentiful liquidity has played a significant part and extremely low interest rates and accommodative monetary policy were also important contributors. But the brighter expectation of the IT industry in the

post pandemic era was for sure the main driving force behind this stock market surge.

However, this surge would not be without risks. Historically speaking, almost every surge in the Korean stock market has been followed by subsequent fall-outs. Sometimes they were brief, but other times they lasted more than a few years. As most young investors had to rely on substantial leverages, meaning borrowed funds, they would like to sell their holdings to cash in those profits. Another possibility is that the market interest rates may rise under the new Biden administration. Or, COVID-19 variants would drag the global economy further down to the pit. No matter what may be the reason, every investor has to be mindful about potential correction in near future. Despite these potential pushbacks, however, it is still highly hoped that this boom in the stock market will survive because it is mainly driven by high expectations of new technology suited for the new world and new norms. As long as Korean firms and the government are dedicated to R&D investments for new technology, there is no reason to believe otherwise.



By Professor Se Don Shin

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

What is Foreign Direct Investment?

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



What is foreign direct investment?



According to the Foreign Investment Promotion Act, foreign investment refers to the following: 1) Where a foreigner acquires the stocks or shares of a domestic company or corporation (recognized where the amount of investment is KRW 100 million or more and the foreign investment ratio is 10 percent or more); 2) Where a long-term loan of five years or longer was borrowed from the overseas parent company, etc.; 3) Where a foreigner contributes to a non-profit corporation in the field of science and technology (KRW 50 million or more and accounting for 10 percent or more of the total contribution amount); or 4) Where a foreign-invested company re-invests unappropriated earned surplus in the establishment or expansion of a factory without transferring them to capital.

**Note: Foreign direct investment (FDI) shall be considered foreign investment pursuant to the Foreign Investment Promotion Act.*

If you have further questions please contact



+82-1600-7119

or visit



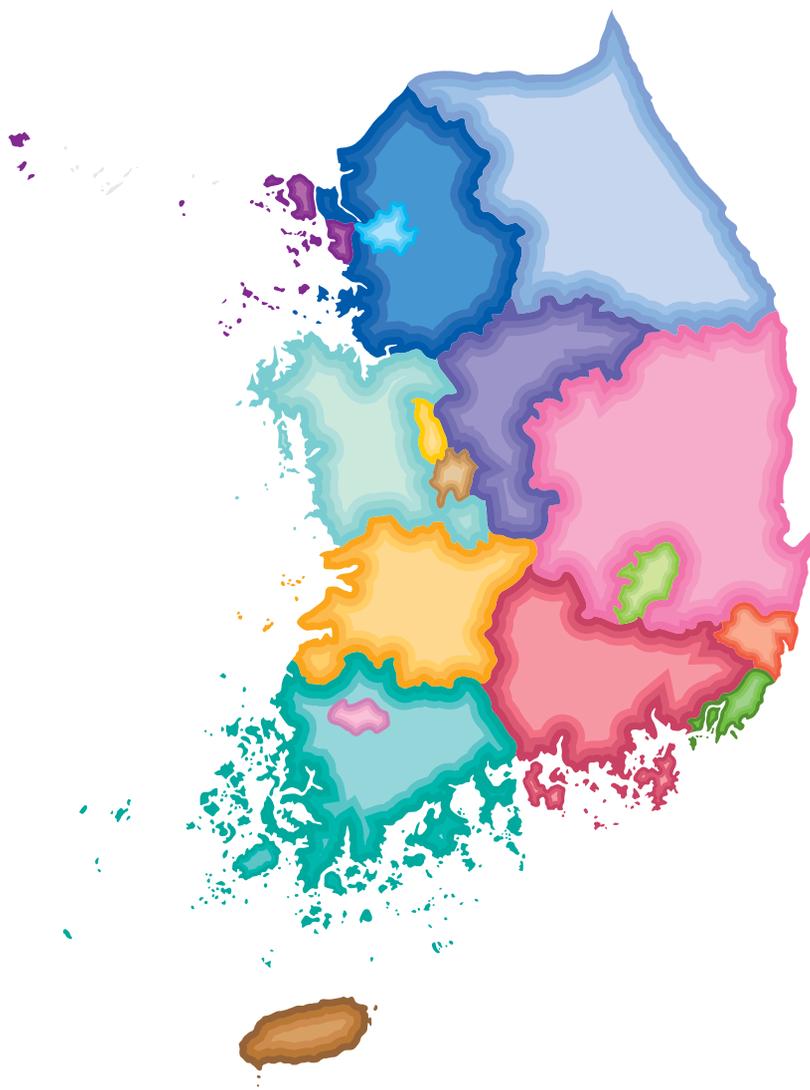
www.investkorea.org

<Definition of Terms>

Term	Definition
<p>Foreigner</p>	<ul style="list-style-type: none"> • 1) An individual with foreign nationality; 2) A corporation established in accordance with a foreign law; 3) An agency that conducts foreign economic cooperation affairs on behalf of a foreign government; 4) An international organization that deals with affairs concerning development finance (e.g., IBRD, IFC, ADB); 5) An international organization that deals with affairs concerning foreign investment, whether for itself or others (Article 2(1)1 of the Foreign Investment Promotion Act and Article 2(1) of the Enforcement Decree of the Act)
<p>Foreign investor</p>	<ul style="list-style-type: none"> • A foreigner who holds stocks, etc. or has contributed (Article 2(1)5 of the Foreign Investment promotion Act)
<p>Object of investment</p>	<ul style="list-style-type: none"> • Any object in which a foreign investor invests in order to hold stocks, etc., and which is any of the following (Article 2(1)8 of the Foreign Investment Promotion Act, Articles 9, 10 and 11 of the Enforcement Decree of the Act): <ul style="list-style-type: none"> - A means of international payment as defined under the Foreign Exchange Transactions Act or a means of domestic payment incurred by the exchange of such a means of international payment - Capital goods - Proceeds from the stocks, etc. acquired under the Foreign Investment Promotion Act - Any rights used in the industrial activities among copyrights registered under the Copyright Act and the layout design rights defined under the Act on the Layout-Designs of Semiconductor Integrated Circuits - Where a foreigner closes his/her own branch company or office in Korea and converts the branch company or office into another domestic corporation, or where a domestic corporation, the stocks of which are held by a foreigner, is dissolved, the residual property to be distributed to the foreigner upon liquidation of such branch company, office or corporation - The amount of redemption of loans referred to in subparagraph 4(b) of Article 2 of the Foreign Investment Promotion Act or of other loans from foreign countries - Stocks of foreign companies listed on foreign securities markets - Stocks owned by foreigners under the Foreign Investment Promotion Act or the Foreign Exchange Transactions Act - Domestic real estate owned by a foreigner (a certificate of report on capital transactions according to Article 18 of the Foreign Exchange Transactions Act should be attached) - Proceeds from the sale of stocks and real estate of a Korean corporation or a company held by a foreigner

Administrative Divisions of South Korea

Living in Korea, published by the Investment Consulting Center, provides necessary information and helpful tips for day-to-day life in Korea. Here's what's featured this month.



Name, Location and Area

Area	100,339.4 km ²
Population	51,780,579
Administrative Divisions	1 special metropolitan city, 6 metropolitan cities, 1 metropolitan autonomous city, 8 provinces, 1 special self-governing province

1 Seoul Special Metropolitan City
Population : 9,729,107
Area : 605,25 km²



2 Busan Metropolitan City
Population : 3,413,841
Area : 765,82 km²



3 Daegu Metropolitan City
Population : 2,438,031
Area : 884,15 km²



4 Incheon Metropolitan City
Population : 2,957,026
Area : 1,063 km²



5 Gwangju Metropolitan City
Population : 1,456,468
Area : 501,3 km²



6 Daejeon Metropolitan City
Population : 1,474,870
Area : 539,98 km²



7 Ulsan Metropolitan City
Population : 1,148,019
Area : 1,060,79 km²



8 Sejong Metropolitan Autonomous City
Population : 340,575
Area : 464,90 km²



9 Gyeonggi Province (Do)
Population : 13,239,666
Area : 10,184 km²



10 Gangwon Province (Do)
Population : 1,541,502
Area : 16,873,51 km²



11 North Chungcheong Province (Do)
Population : 1,600,007
Area : 7,407,7 km²



12 South Chungcheong Province (Do)
Population : 2,123,709
Area : 8,226,14 km²



13 North Jeolla Province (Do)
Population : 1,818,917
Area : 8,069,05 km²



14 South Jeolla Province (Do)
Population : 1,868,745
Area : 12,095,06 km²



15 North Gyeongsang Province (Do)
Population : 2,665,836
Area : 19,026,06 km²



16 South Gyeongsang Province (Do)
Population : 3,362,553
Area : 10,537,97 km²



17 Jeju Special Self-Governing Province (Do)
Population : 670,989
Area : 1,849,02 km²



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Nature's Way

Hanok refers to a structure built with techniques and styles indigenous to the Korean Peninsula that date back to prehistoric times. In a narrow sense, the term refers to a private residential room whereas in a broader sense, it includes all traditional Korean architecture. Originally a primitive dugout but developed into a sophisticated architectural style by the late Joseon period, Hanok remains a space that harmonizes the logic and beauty of nature.

Preserving History

Humans began to live on the Korean Peninsula from 700,000 B.C. during the Old Stone Age. In the late phase of that age around 6,000 B.C., they started to create dugouts, or primitive houses constructed by digging into the ground to make space for people and covering the area with trees and grass, while living a sedentary and communal life. The Bronze Age saw the start of diversification of a dugout's interior space when rice farming began. In the early Iron Age, advances were made in techniques to build walls by erecting pillars and attach roofs to a home, and structures whose floors were built above ground began to appear.

More architectural diversification appeared during the time of the ancient Korean kingdoms of Goguryeo, Baekje and Silla in the first century B.C. Roof tiles were used for royal buildings and the shapes of roofs became diversified. Traces of the use of ondol (floor heating) were also discovered from this point on. During the unified Silla period when Buddhism thrived, wooden architecture substantial development to allow more temples to be built, and even the houses of laypeople got more stylish. In the ensuing Goryeo Dynasty period, structures of high artistic design were built such as Geungnakjeon Hall of Bongjeongsa

Temple, Muryangsujeon Hall of Buseoksa Temple and Deungjeon Hall of Sudeoksa Temple. The use of ondol widely spread after the 14th century, and a method to divide a building's interior for various functions was developed as the scale of a structure was popularly measured by the number of rooms.

Confucian schools like hyanggyo and seowon were built on a national scale in the Joseon Dynasty period and every house included a shrine glorifying an ancestral tablet. Confucianism greatly affected housing types, limiting the size of sites, the number of rooms and the measurement of wooden materials according to social standing. Concepts such as distinctions between the sexes and elders initially affected residential culture, leading to the division of spaces through architectural design. Additionally, ondol, which had been confined to the northern region, started to spread to the central region, while floors in the southern region spread to the northern region. Finally, ondol, floors and a kitchen were combined inside one building, and the flourishing of residential culture brought on a variety of floor types according to a region's weather and conditions. Housing types ranging from plain thatched-roof houses to those with elegant tile roofs and even palaces have survived to the present day, preserving the culture and legacy of Korea's ancestors.





All Natural

Hanok is devoid of the pollution brought about by modern architecture. Most materials used in Hanok are recyclable, and stones and trees are used in the most natural ways possible without artificial processes. Hanok is far less toxic than apartments and other buildings constructed with other materials, causing no harm to the human body or nature unlike modern buildings. Its principle of harmony with nature is Hanok's underlying ideal and its purpose is to adapt itself to nature.

Looking first at the roof, the curve of Hanok that goes up at the end punctuates its classic beauty, compared to the straight roof shapes seen in traditional architecture in China and Japan. An obliquely bending timber is often seen as a crossbeam supporting the roof.

Hanok is not always easy on the eyes. Angles of sunlight are calculated for the curved eaves according

to season. In general, the angle between the end of the eaves and the floor ranges from 58 to 62 degrees. The sun's meridian altitude during the winter solstice, when the day is the shortest, is 29 degrees, whereas that of the sun during the summer solstice, when the day is the longest, is 77 degrees. The eaves provide shade in the summer when the sun is high, while the eaves open up the space a bit more in the winter so that daylight shines on a room.

Hanok's beauty is closer to practical aesthetics rather than decoration. The cornerstone is not evenly trimmed, so timber for pillars placed on the cornerstone is carved according to the natural bumps of the cornerstone before being placed. Nonetheless, the pillar is not pushed out and stays in place despite enduring centuries of storms and earthquakes. Crossbeams and girders horizontally placed on these pillars also form the building's framework through connections and dowels. Crooked as well as straight logs are properly placed in the right places, resulting in a house. Thus Hanok is designed by nature.

Broadening Boundaries

Traditional Korean culture set harmony with nature as its ideal, which in turn, led to the construction of nature-friendly houses. The first step was to design a home to harmonize with its surroundings, followed by construction using natural materials from the surroundings to fit the location. Humans living in Hanok built using this method thus sought to coexist with nature.

Ondol is still used today at modern apartments in Korea. Traditional ondol produced direct heating by burning wood but water is now heated in a water boiler before circulating throughout a home. Intended to heat not the air but the floor, ondol creates a pleasant indoor environment and offers an efficient way of cooking and heating simultaneously. Finding firewood on the mountainous Korean Peninsula has always been easy. If ondol was intended to prevent cold, the floor was an architectural factor meant to cool off from the heat. The wooden floor was built high above ground and thus let out humidity from the ground and was airy, giving relief from the hot summer for Koreans.

The yard played an essential role in building a traditional Hanok. The most popular construction method was to have the courtyard — not the building — sit at the center and surround the courtyard with buildings and walls. The courtyard was a space for living, not visual appreciation. Though it usually remained empty, it was often used for the threshing

and drying of farmed produce. Daily dining and parties were held in the yard as it served as a roofless multipurpose room.

Mixing Old and New

The outstanding changes in living spaces like apartments in the course of modernization caused a decline in old Hanok. Despite this, the value of the few traditional Hanok remaining is rising as the structures grow in status as monuments to Korean tradition.

Today, people are looking for ways to preserve traditional Hanok as well as grafting modern architecture onto it. Hanok is being used for purposes other than residence such as those remodeled for commercial use like restaurants and cafes, business purposes like architectural offices, and cultural delights like art galleries and museums. The never-ending evolution of Hanok is seen through accommodations and public facilities adopting new designs and the reflection of space organization and decorative elements in newly built apartments. Korea's deepest tradition and most ordinary experiences are deeply rooted in Hanok, which is one of the country's leading cultural treasures.

*Source: "Nature's Way" by Architecture & Urban Research
Institute's National Hanok Center, KOREA (Jan. 2020), Korean
Culture and Information Service (KOCIS)*



Economic Indicators

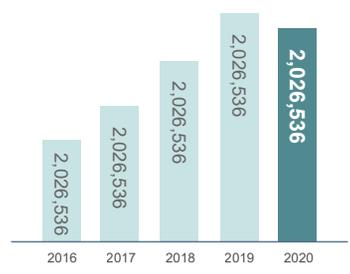
Here are some of Korea's major economic indicators that provide an overview of the country's recent economic developments.

Source:

International Monetary Fund (IMF), Bank of Korea (BOK), Korea International Trade Association (KITA), Ministry of Trade, Industry and Energy (MOTIE)

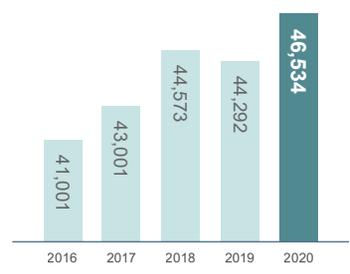
GDP

(Unit: USD million)



Per capita GDP

(Unit: USD)



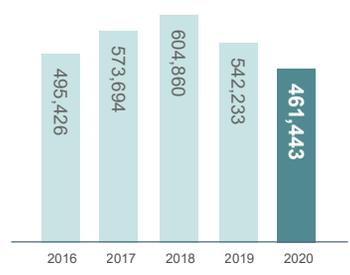
Trade volume

(Unit: USD million)



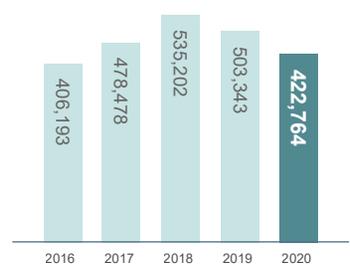
Exports

(Unit: USD million)



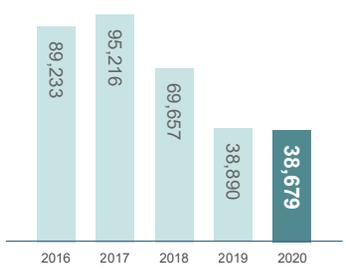
Imports

(Unit: USD million)



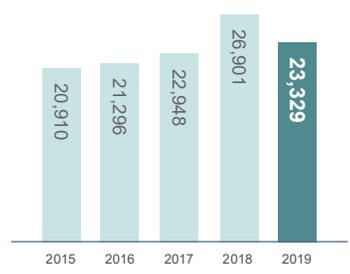
Trade balance

(Unit: USD million)



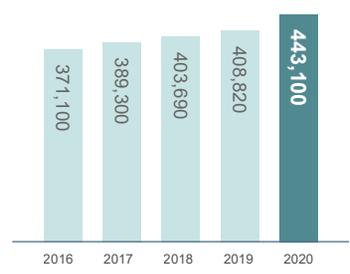
FDI

(Unit: USD million)



Foreign exchange reserves

(Unit: USD million)



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 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



KOTRA's Overseas Network

KOTRA has 127 overseas offices and 10 headquarters worldwide

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E-mail: ktcdelhi@ktcdelhi.net

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Auckland, Bangkok, Danang, Hanoi, Ho Chi Minh City, Jakarta, Kuala Lumpur, Manila, Melbourne, Phnom Penh, Singapore, Surabaya, Sydney, Vientiane, Yangon

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Beijing, Changsha, Chengdu, Chongqing, Dalian, Guangzhou, Hangzhou, Hong Kong, Nanjing, Qingdao, Shanghai, Shenyang, Shenzhen, Taipei, Tianjin, Wuhan, Xiamen, Xian, Zhengzhou

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