



### Recommendations:

Korea is a wealthy, highly developed country with one of the world's best high tech manufacturing sectors, a large base of middle class consumers, and strong trade relations with the US. It can be a hard place for foreign companies to make initial inroads, but is much easier once established. **\*\*Good choice for most businesses\*\***

- (+) Politically stable with world class logistics and ICT
- (+) Educated, skilled, and productive workforce
- (+) Local Korean companies compete globally
- (+) Free Trade Agreement with US minimizes taxes and provides equal footing to American companies

- (-) Dominated by large firms (chaebols); foreign companies can have difficulty competing
- (-) Tensions with DPRK increase credit and jurisdiction risks, and can cause economic impacts
- (-) Complex bureaucratic & regulatory environment

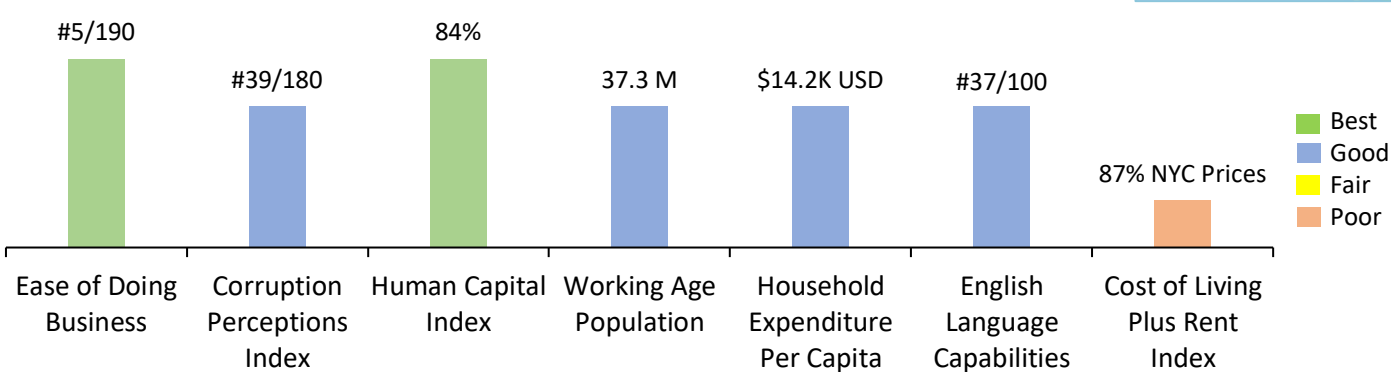
### Highlights:

- Ranked #5 globally for Ease of Doing Business and 84% on Human Capital Index
- Highly productive workforce, but high cost of living, property rent, and labor costs
- Strong trade relations with the US, established Free Trade Agreement, and supportive government
- Some of the world's best infrastructure

"Korea remains the sixth largest trading partner of the United States, accounting for **over 156 billion dollars in two-way trade in goods and services** in 2017. Today, the Republic of Korea and the United States enjoy vibrant trade and economic relations."  
-- U.S. Ambassador Harry Harris, 2018

### Country Facts:

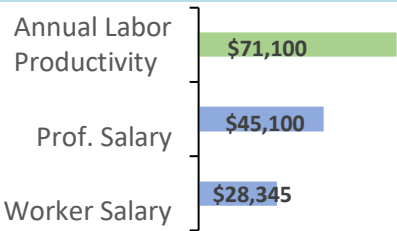
Population: 52 million, 0.2% growth in 2019  
 GDP: \$1.6 trillion USD, 2.7% growth in 2019  
 GNI per capita: \$30,600 USD, 0.1% Inflation, high-income country  
 Industries: Manufacturing (semiconductors, electronics, ships, cars, chemicals), telecommunications, steel, and chemicals  
 Tourism: #28 most visited country in the world  
 Investment: Government actively encourages foreign investment through the Korea Trade-Investment Promotion Agency (KOTRA)



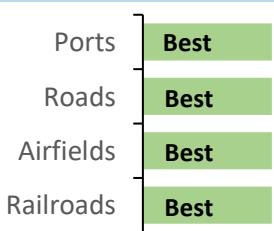
### Marketing:

Per capita expenditure: \$14,226 USD  
 Internet penetration: 96%  
 Shop online: 80%  
 Mobile ownership: 118%  
 Primary messaging: KakaoTalk  
 Primary website: Facebook

### Average Labor:



### Infrastructure:



### Opening a Business:

Relevant Laws: Enforcement Decree of the Foreign Investment Promotion Act (1999), Foreign Investment Promotion Act (1998)  
 Time to Incorporate: Approximately 8 days to incorporate  
 Fees to Incorporate: Approximately \$400 USD, not including accounting fees. High paid-in-capital requirements  
 Paid-in Capital: KRW 100 million (\$90k USD) paid-in capital usually required; can be avoided by opening branch instead of incorporating  
 Remittance Taxes: Recently updated FTA and tax treaty with the US protects US firms and minimizes taxes  
 Restrictions: 100% foreign ownership allowed; restrictions on foreign ownership in defense, power generation, broadcasting, telecommunications, air & water transport, and meat sales  
 Trends: Govt. easing regulatory burden via new Office of the Foreign Investment Ombudsman

### BBA Services:

BBA works with a trusted partner in Seoul, and is in the process of establishing a local office. BBA can help match you with local partners, navigate local norms, and establish a foothold in Korea.  
<https://businessbridgeasia.com>