



# **Korea' s Economy & Business Environment**



# Korea at a Glance

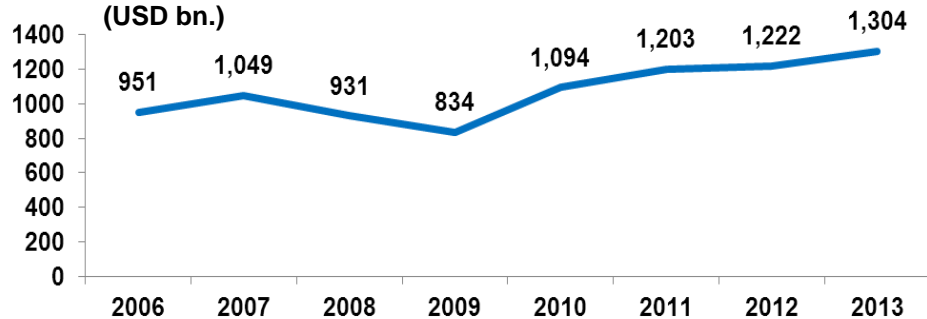
<b>Area</b>	100,000km <sup>2</sup> (108 <sup>th</sup> )
<b>Population</b>	50 million (24 <sup>th</sup> )
<b>Main cities</b>	Seoul (capital) 10.41 mil., Busan 3.6mil., Incheon 2.9 mil., Daegu 2.5 mil.
<b>GDP (nominal)</b>	USD 1.22 trillion (15 <sup>th</sup> ) ('13)
<b>GDP (PPP)</b>	USD 1.60 trillion (12 <sup>th</sup> ) ('12)
<b>GDP per capita (nominal)</b>	USD 26, 205
<b>GDP (PPP) per capita</b>	USD 33,189 (27 <sup>th</sup> ) ('13)
<b>Currency</b>	Korean Won (KRW)
<b>Total no. of registered cars</b>	19.4 mil ('13)

Source: IMF, Korea Center for International Finance  
Ministry of Land, Infrastructure and Transport

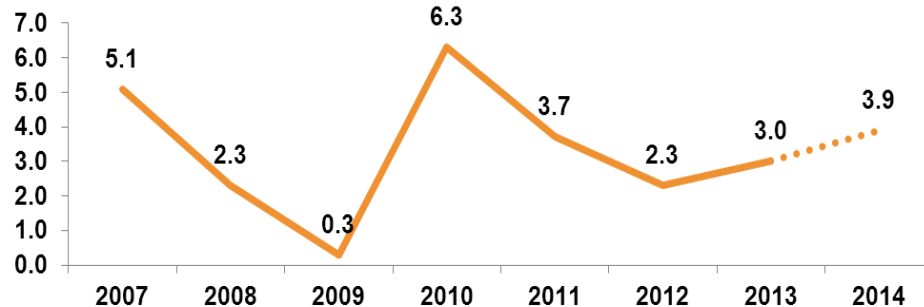
# Economic Indicators

## GDP

(USD bn.)

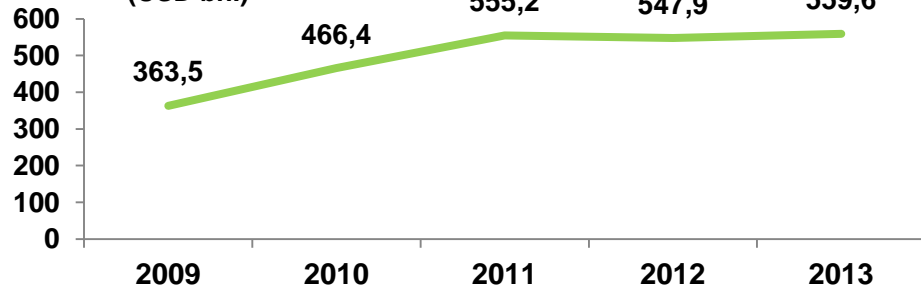


## GDP Growth Rate (%)



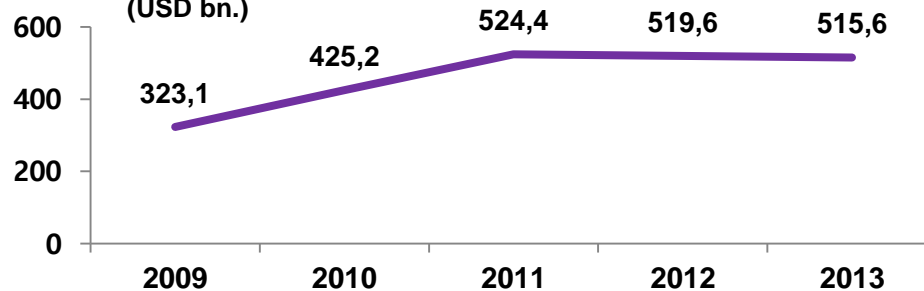
## Export

(USD bn.)



## Import

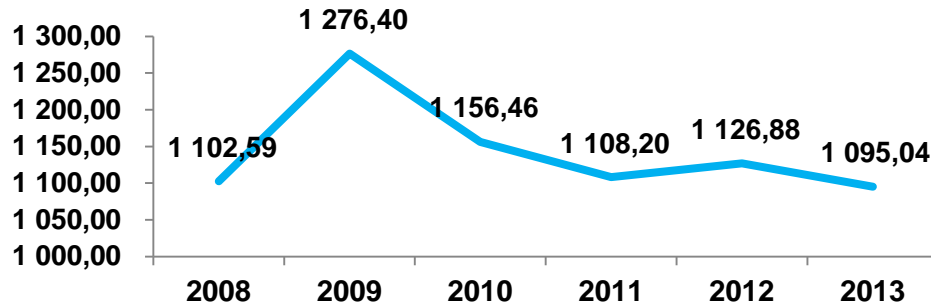
(USD bn.)



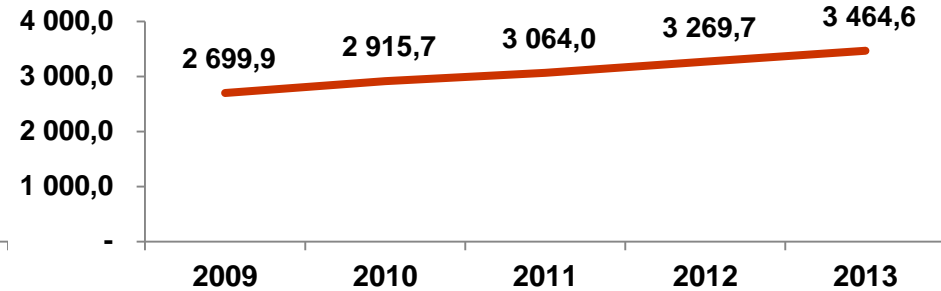
Source: IMF, The Bank of Korea, KITA

# Economic Indicators

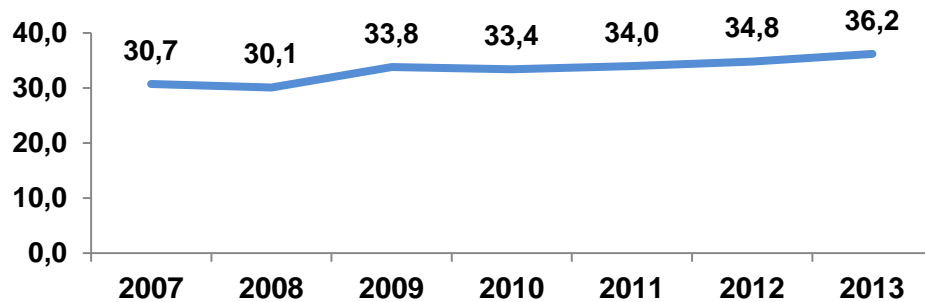
## Exchange Rate (KRW-USD)



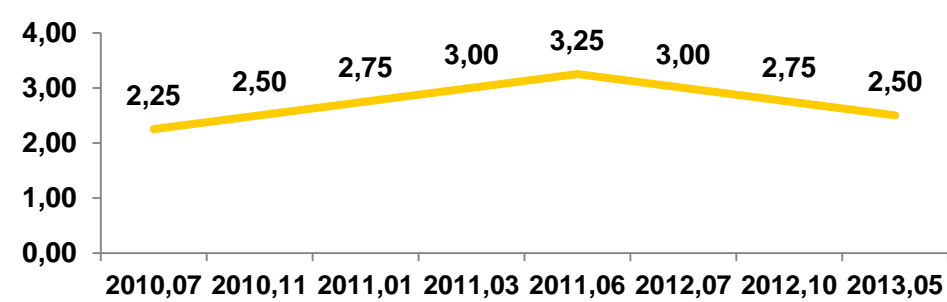
## International Reserves (USD 100 mn.)



## Government Debt (% of GDP)

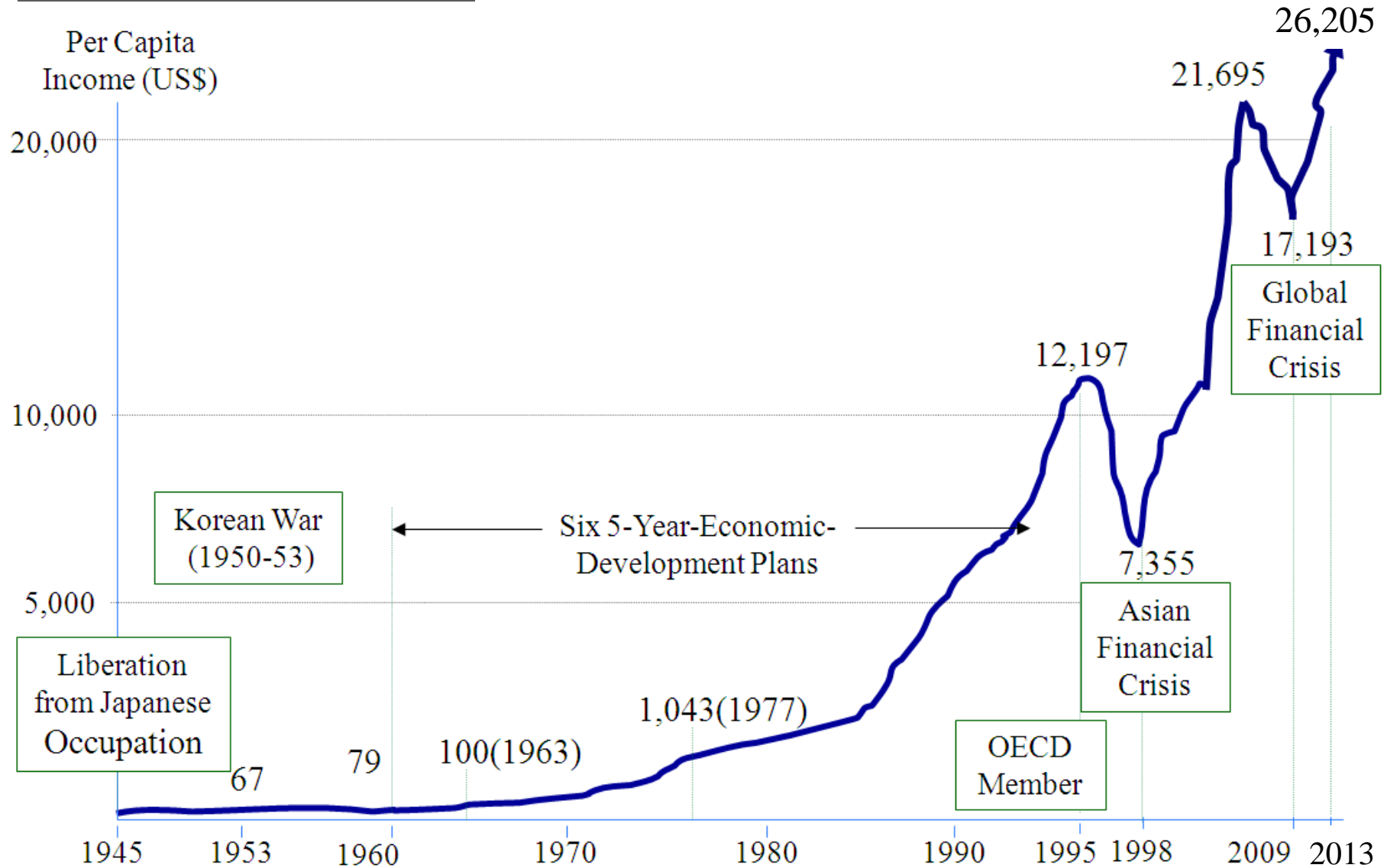


## Rate of BOK's Base Money (%)



Source: The Bank of Korea, MOSF

# Growth Performance



# Trade Volume

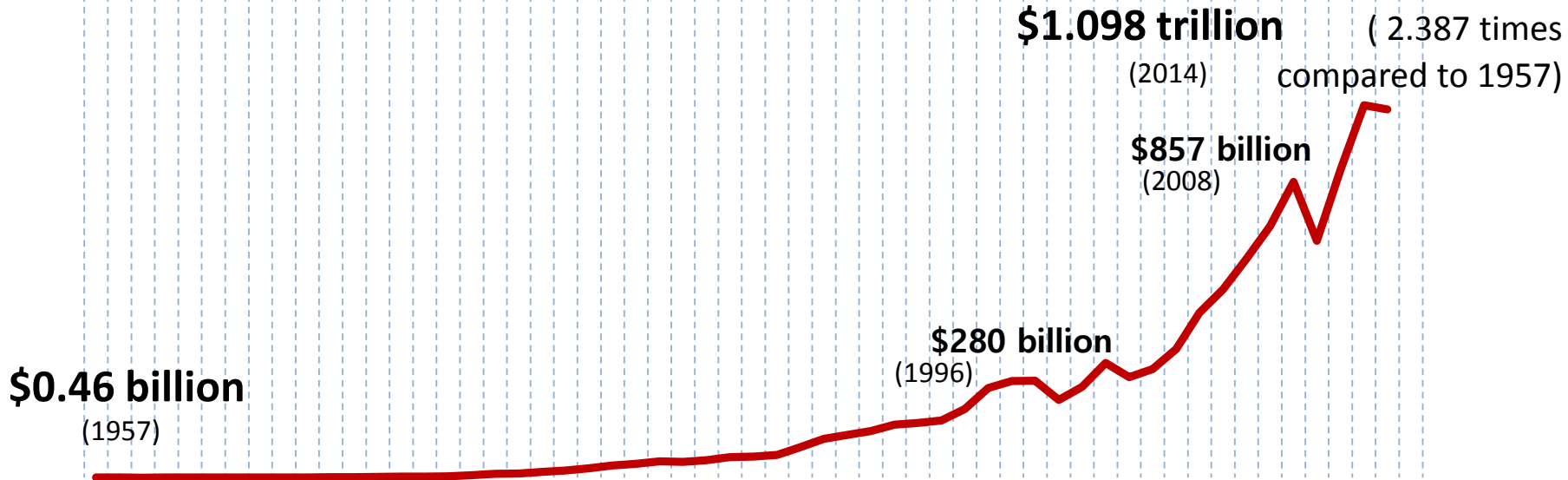
## Trade volume ranking by country in 2014 (Unit: USD billion)

1	2	3	4	5	6	7	8	9	10
China	United States	Germany	Japan	Netherlands	<b>Korea</b>	France	Hong Kong	Canada	Italy
4,306	3,968	2,620	1,502	1,241	<b>1,204</b>	1,098	1,019	981	972

Followed by :11. Singapore, 12. UK, 13.Belgium, 14.Russia

Source: DOTS

## Trade volume between 1957 and 2012 (Unit: USD)



Source: KITA

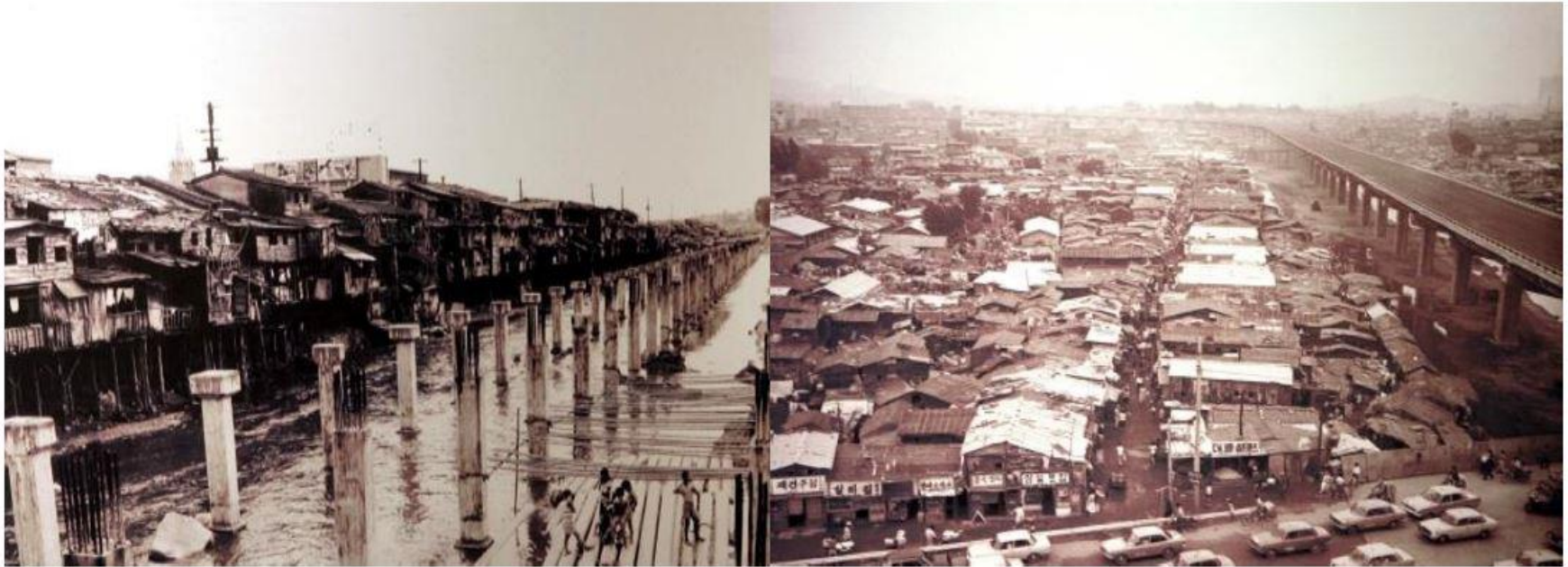
## *Seoul in the 1950s*

Poorest neighborhood, Cheonggyecheon river



Source: Aving.network.

# Seoul in the 1970s

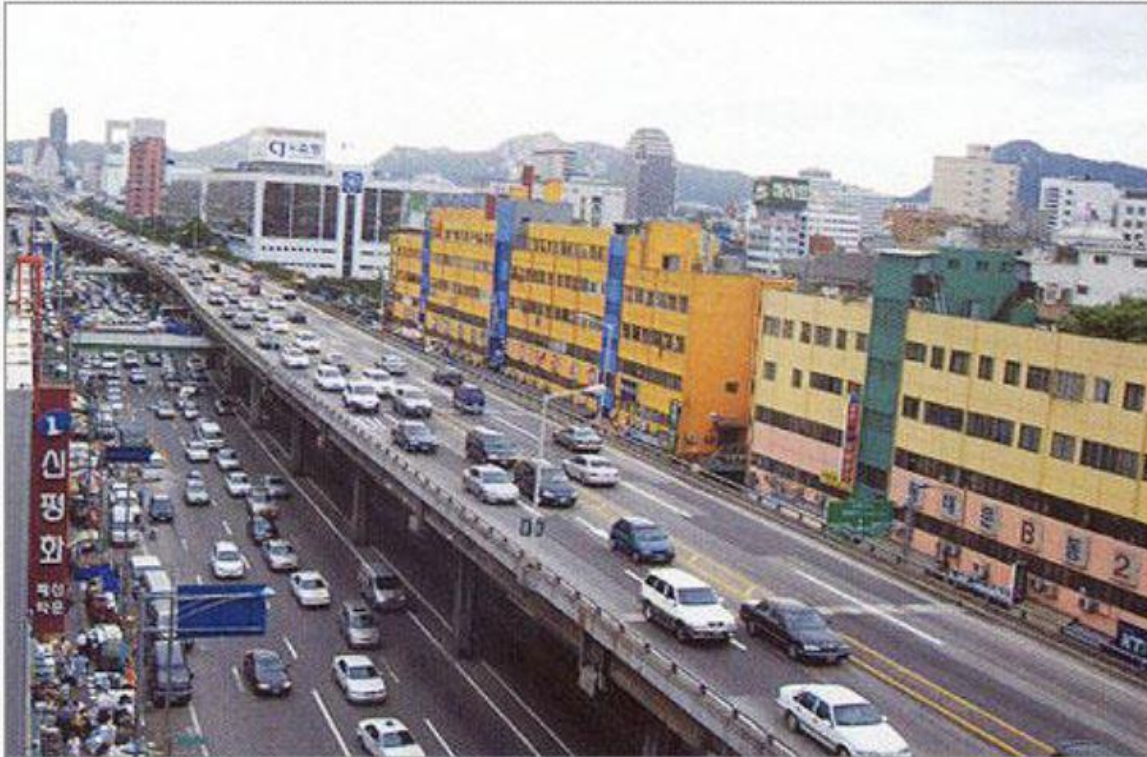


Source: Aving, network.



## Seoul in the 1980s

# *Seoul in the 1980s*



Source: Aving, network.



# Big Achiever, Fast Mover



Global Innovation Index \_BCG

- R&D, ICTs, Knowledge Creation
- Most Innovative Country (Bloomberg)  
ICT Development Index (ITU)



Information Technology Skills \_IMD  
Scientific Infrastructure \_IMD

# Innovating the World

## BLOOMBERG RANKINGS

### MOST INNOVATIVE IN THE WORLD 2014: COUNTRIES

South Korea leads the world in innovation

Rank	Country	Total Score	R&D Intensity Rank	Manufacturing Capability Rank	Productivity Rank	High-tech Density Rank	Tertiary Efficiency Rank	Researcher Concentration Rank	Patent Activity Rank
1	South Korea	92.10	3	2	33	3	3	6	2
2	Sweden	90.80	4	22	7	5	13	8	26
3	United States	90.69	10	24	10	1	37	12	5
4	Japan	90.41	5	6	14	8	30	9	3
5	Germany	88.23	9	3	20	6	25	17	6
6	Denmark	86.97	6	56	6	17	27	3	14
7	Singapore	86.07	17	14	15	14	24	4	34
8	Switzerland	86.02	8	16	3	9	35	22	29
9	Finland	85.86	2	21	12	32	5	2	15
10	Taiwan	83.52	7	N/A	30	2	2	5	1

# Information Technology

International Telecommunication Union

## MEASURING THE INFORMATION SOCIETY

2013



## ITU: ICT Development Index

**Korea - World's best for 3<sup>rd</sup> straight year**

**National IT competitiveness index (MIAC\*, Aug. 2011)**

**Mobile broadband penetration rate (OECD, June 2011)**

**Digital reading assessment (OECD, June 2011)**

**Internet speed (Fortune, Jan. 2011)**

**e-government index (UN, Jan. 2011)**

MIAC: Ministry of Internal Affairs and Communications, Aug. 2011

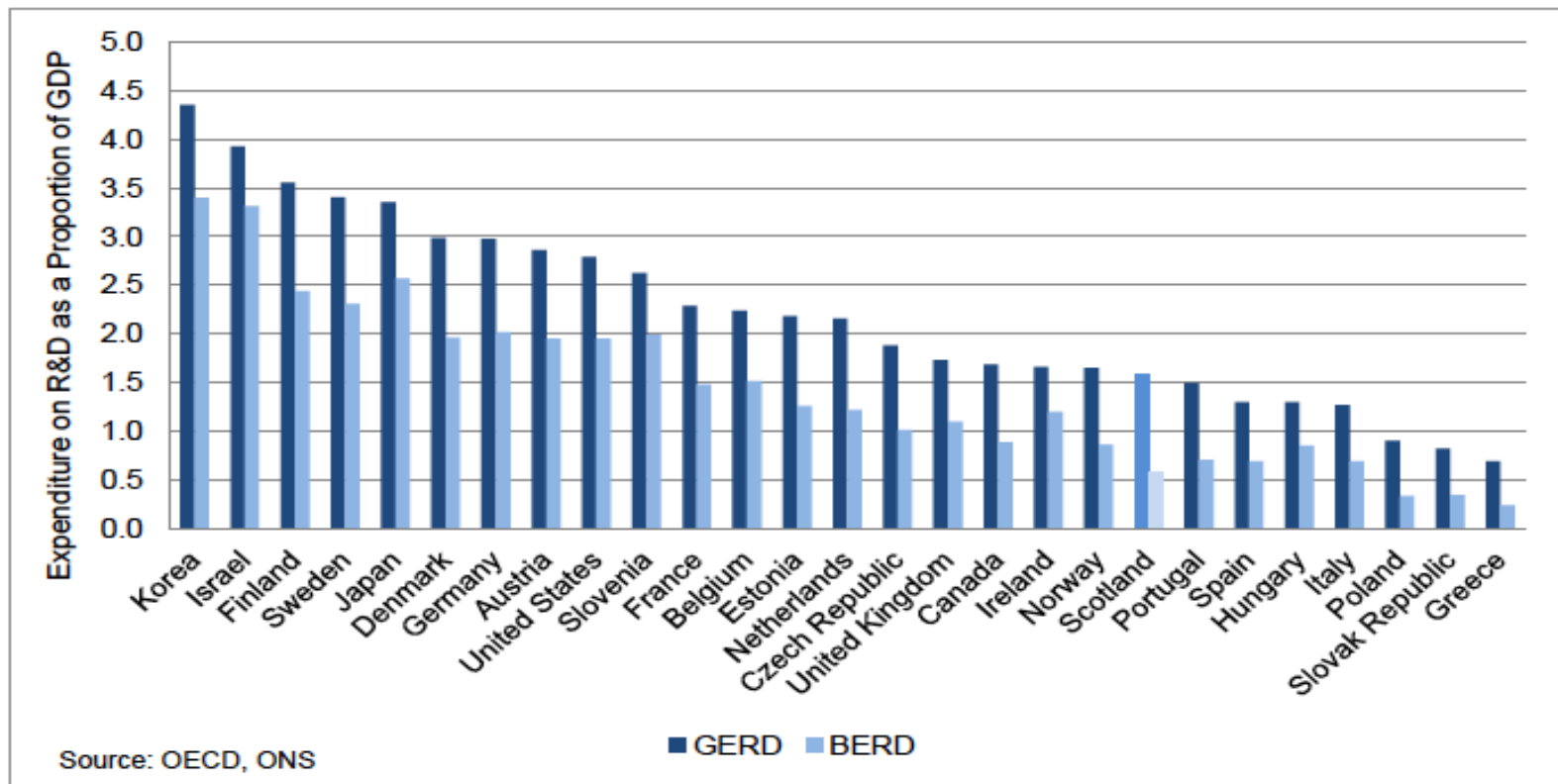
**Global market share of mobile phones / smartphones (2012)**



# Scientific Infrastructure

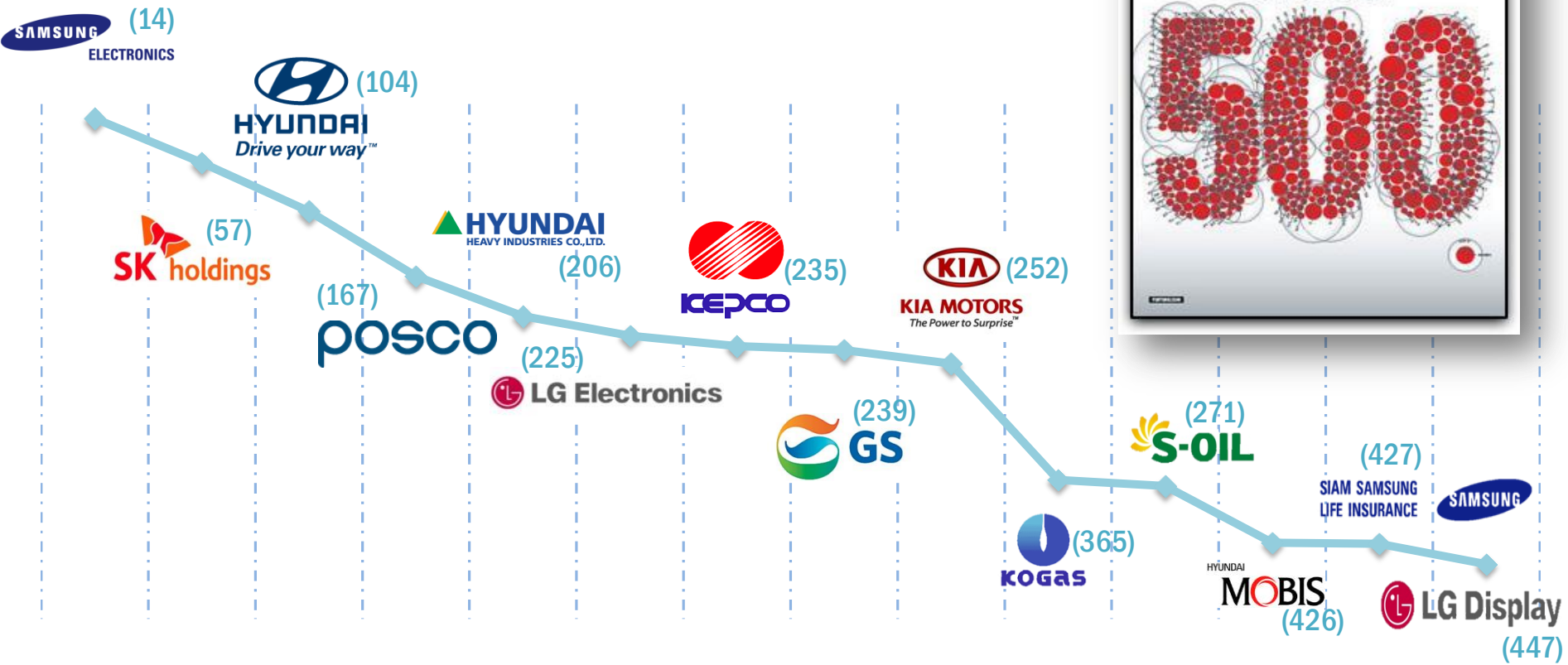
## Gross domestic expenditure on R&D

Korea ranks **No.1** (4.36% of GDP) for 2012



Source: OECD Factbook 2013: Economic, Environmental and Social Statistics

# 14 Korean Companies in FORTUNE Global 500 in 2013



# Key Strengths of Korea

Global  
Manufacturing  
Competitiveness  
Index 2013

**5th**  
Deloitte.





# Mobile Phones



**1st**  
**36.2%**



**8th**  
**5.9%**



Source: Strategy Analytics (2013)

# Displays



**1st**   
**22.9%** **SAMSUNG DISPLAY**

**2nd**  
**22.1%**  **LG Display**

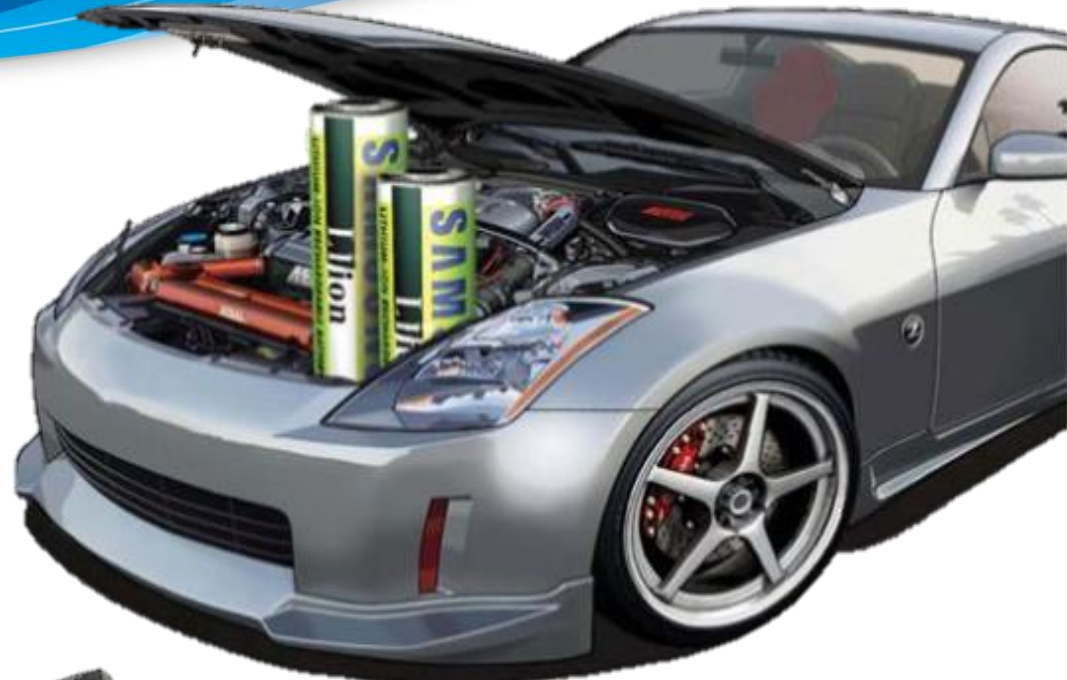


Source: Displaysearch 2013

# Lithium Batteries

**SAMSUNG SDI**

**1<sup>st</sup>**  
**21.7%**



**3<sup>rd</sup>**  
**14.2%** **LG Chem**



Source: SNE Researcher (2013)

# Steel

Source: World Steel in Figures 2013



posco  
**5th**

**H** HYUNDAI  
STEEL  
**16th**



# Automobiles

**SAMSUNG**

**RENAULT SAMSUNG  
MOTORS**



**SSANGYONG MOTOR**



**KIA MOTOR**



**CHEVROLET**

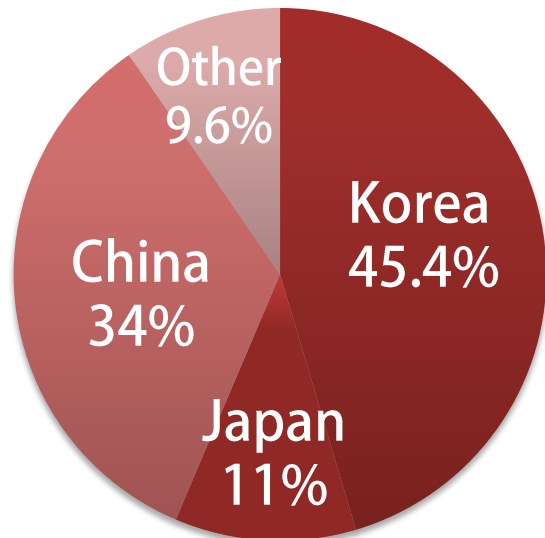


**HYUNDAI**

# Shipbuilding



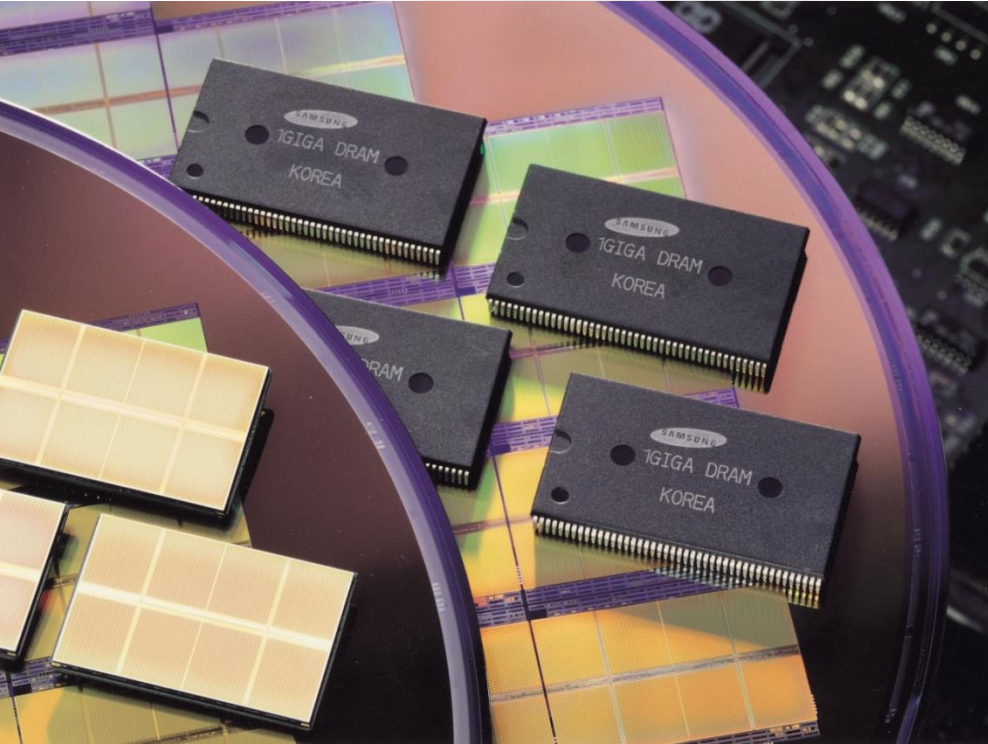
## Global Shipbuilding Share (CGT Contracting 2013)



Source: World Shipyard Monitor 2013



# Semiconductors

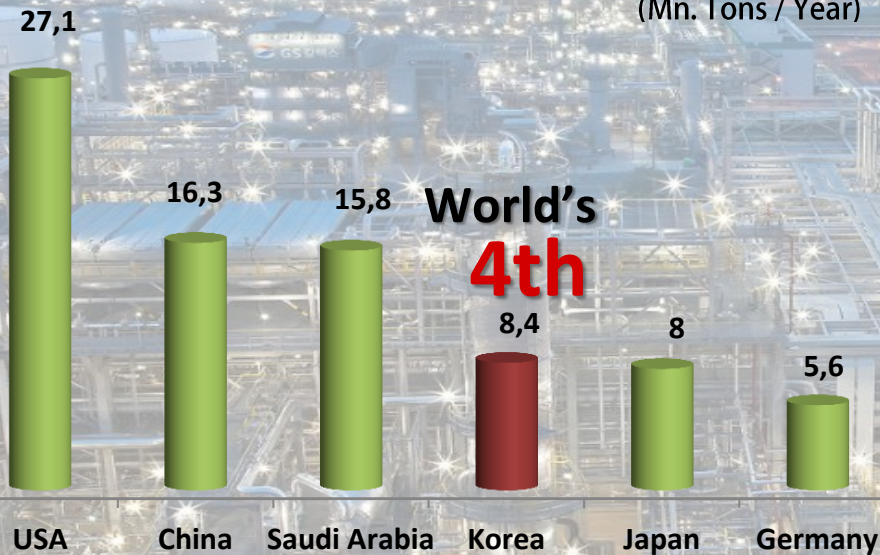


**Memory semiconductor:  
66.5%**

Source: MOTIE, HIS technology (2013)

# Petrochemicals

Ethylene Production Capacity (2012)  
(Mn. Tons / Year)



Source: Korean Petrochemical Industry Association



# Doing Business in Korea

## Ease of doing business ranking

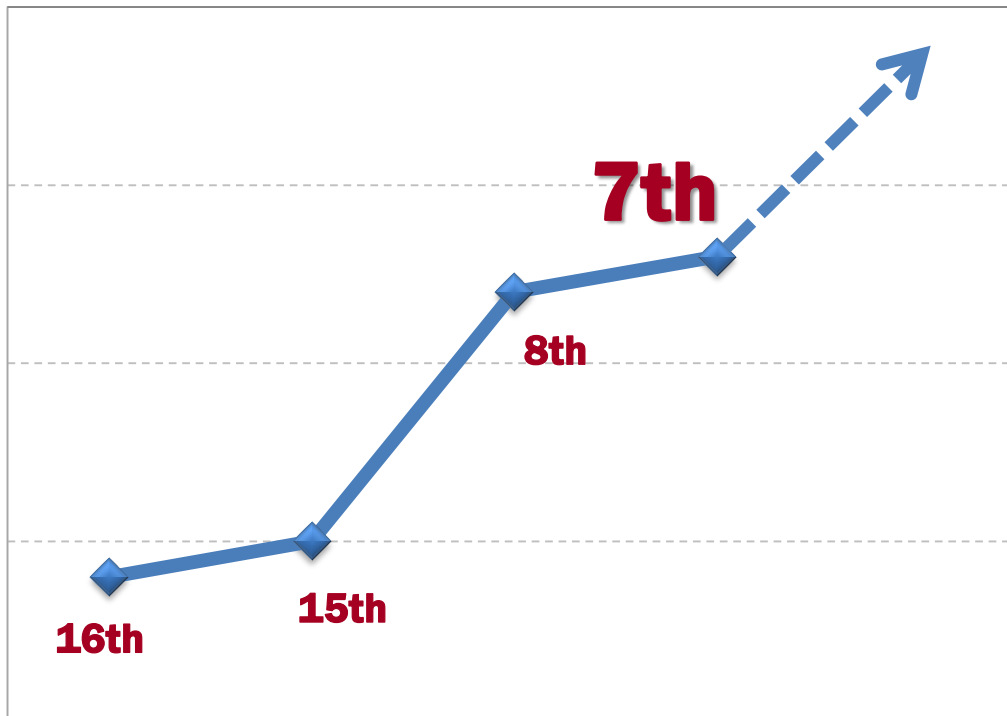
(185 economies)  
2014

2010

2011

2012

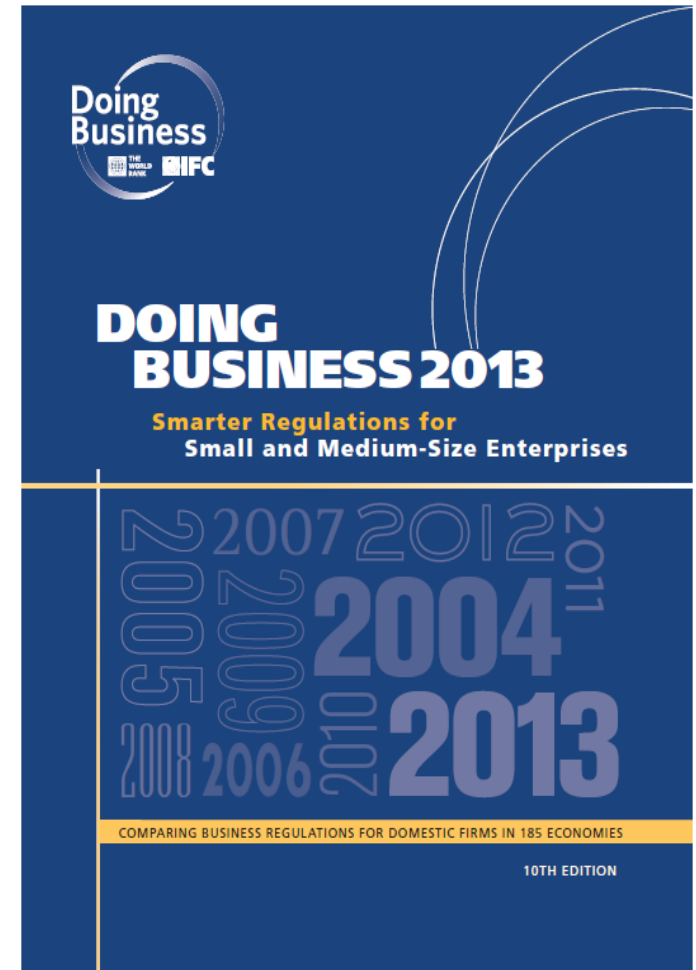
2013



**3<sup>rd</sup>**  
East Asia

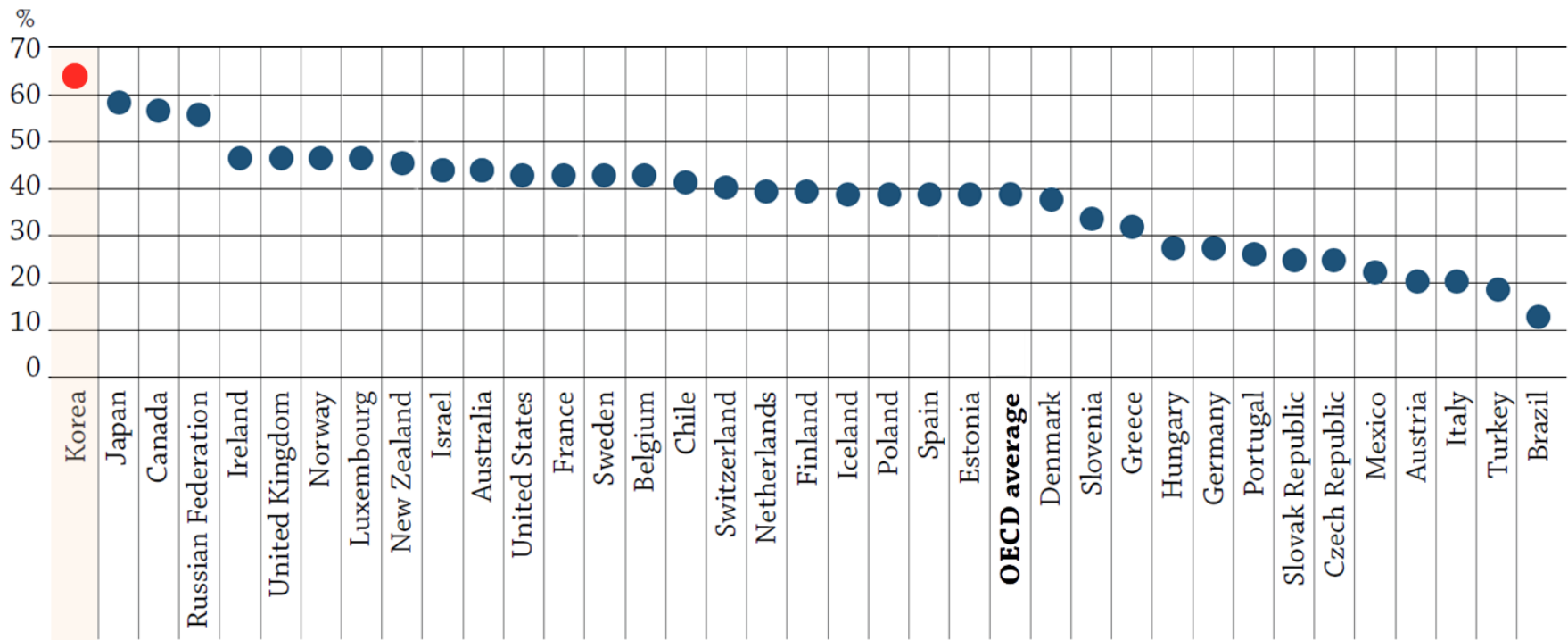
**4<sup>th</sup>**  
G20

**7<sup>th</sup>**  
OECD



# World-Class Human Resources

## Population that has attained tertiary education (Percentage, by 25-34-year-old age group)



Source: Education at a Glance 2013, OECD indicators



# **Bulgaria-Korea Economic Relations**





# Trade and Investment



- **Korea is 2<sup>nd</sup> largest** trading partner among Asia
  - U\$ 308 million (2014)
- **Bulgaria exported \$190 million to Korea in 2014**
  - Corn, wheat, waste of precious metals, clothes, tobacco, top shell
- **Bulgaria Imported \$118 million from Korea in 2014**
  - Resin, car, polyester fiber, monitor, fabrics, battery
- **Korea occupies 3.1% of the total world trade volume**
  - Bilateral trade between Korea-Bulgaria occupies 0.4% of the total Bulgarian trade volume and 0.03% of the Korean trade volume



# Trade and Investment



- **Korea is the largest investor among Asia**

- \$ 200 million (until 2014)
- Photovoltaic plants, transformer manufacturing, agriculture

- **Korean Investors**

- Photovoltaic plant : KOSEP, SDN, Samsung C&T, EU Sunday, PNH
- Manufacturing : Hyundai Heavy Industry
- Agriculture : Asia Invest
- Subsidiary : Samsung Electronics, LG Electronics,  
Alpha Display(Monitor), River(used car)



# Investors and partners



- **Bulgarian Exporters** : Agria Group Holding(corn, wheat), Aurubis(waste of precious metals), LB Bularicum(Bacteria), Sever Export(top shell), Deniva(rose oil)
- **Bulgarian Importers** : IND Commerce(car), KIA (car), EGT(monitor), Euro 07(auto parts), Danexo(auto parts), Vikitex(textile), IKIS(LED), Fincom2(LED), Vitality Club(cosmetic equipment), Medconsulting(medical equipment), Di Gi 84(wrapping foil), LB service(hydraulic hammer)



**Thank you**  
**감사합니다**

