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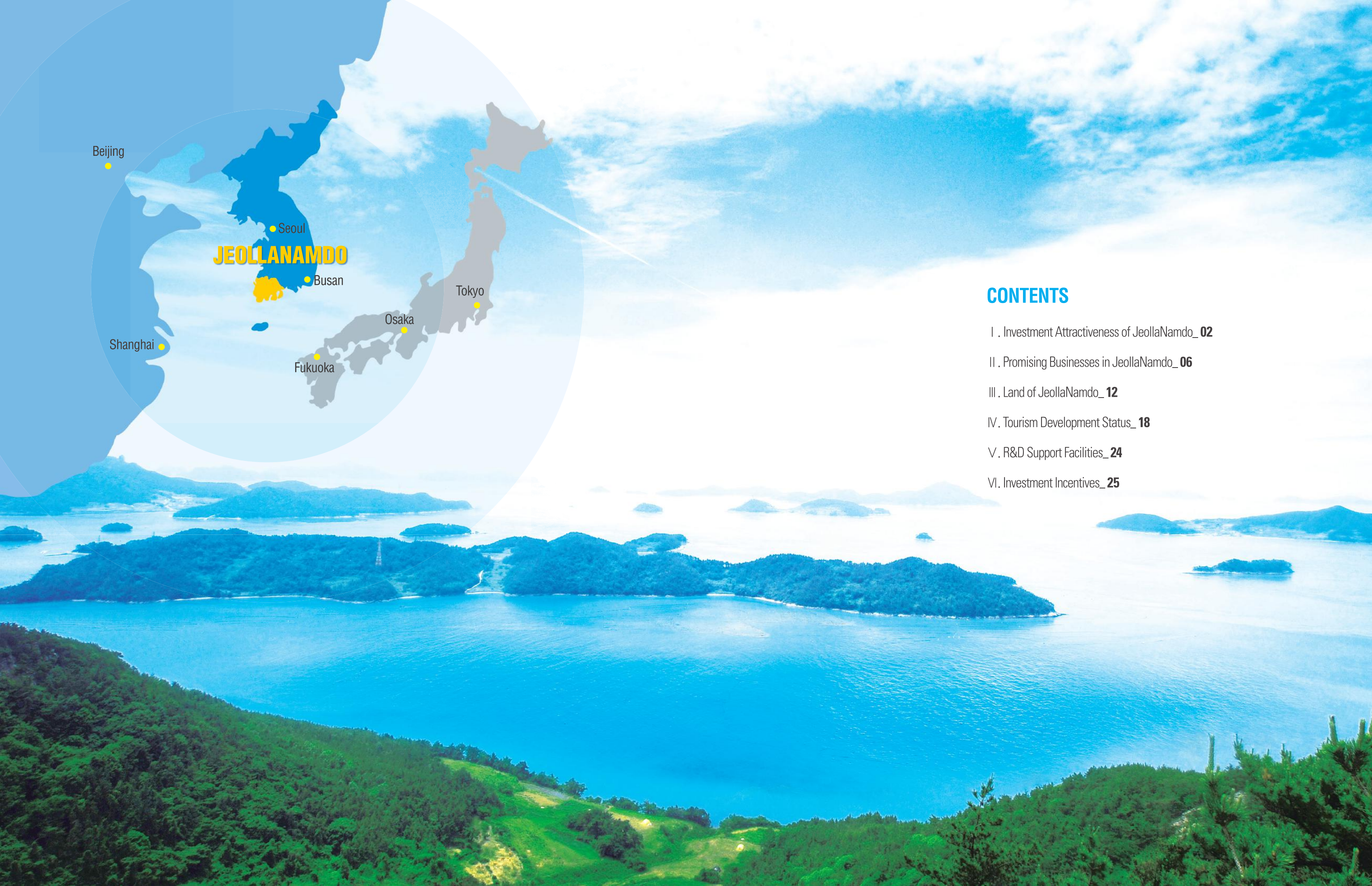
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Jeonnam's

investment attractiveness

A proposal to global CEOs, preparing new futures



Beijing

Seoul

JEOLLANAMDO

Busan

Shanghai

Fukuoka

Osaka

Tokyo

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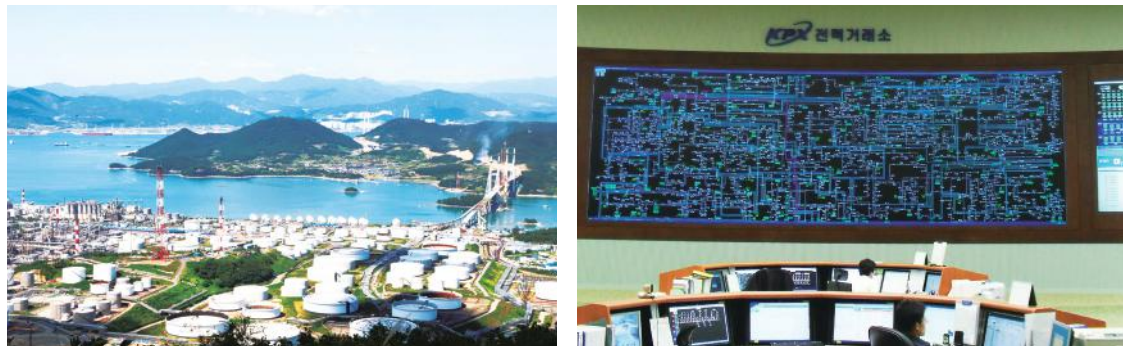
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I. Investment Attractiveness of JeollaNamdo

01 JeollaNamdo is the largest source of industrial raw materials in Korea

- POSCO Gwangyang Steel Works has the largest steel capacity in the world : 18 million tons/year
- The largest petrochemical/industrial complex in Korea
 - Oil refining (840 thousand barrels/day), Petrochemical production (5.7 million tons/year)
- The finest quality eco-friendly agricultural, fishery, and livestock products (Ranked first in the country)



02 JeollaNamdo provides the most inexpensive industrial land in Korea

- Jeollanam-do creates customized industrial complexes and reduces the burden of initial investment significantly by offering inexpensive industrial land
- * 2014 land costs (official values) : Jeonnam 8,000 won/m² (1/5th of the average land cost nationwide 43,000 won/m²)

| Information on Industrial Complexes |

Category	No.	Area(km ²)	Name
Total	37	241,513	-
Existing complexes	10	82,750	Samil bichuk, Daebul, Ocheon, Suncheon, Munpyeong, Naju, Hwasun, Samho, Shingeum, Daema
In development	22	127,217	Yeosu, Gwangyang, Bitgreen, Sapjin, Daeyang, Ceramic, Yulchon 1, Haeryong, Naju innovation, Shindo, Ikshin, Hwanggeum, Sepung, Bio food, Gangjin environment, Hwawon Shipbuilding, Gunnae, Myodo, Nano, Donghampyeong, Yongdang, Damyang
Under preparation	5	31,546	Yulchon 2, Yulchon 3, Doyang, New materials, Shipbuilding town

* Brown : Available for immediate occupation

03 Most stable labor-management culture in the country

- Declaration of joint industrial peace of labor, management, and government for 8 consecutive years
- Awarded Grand Prize for Metropolitan Council Labor Management Cooperation (2008 to 2014)



04 Skilled and customized experts waiting for you

- 51,000 technical experts and craft workers from universities and specialist high schools each year
 - 40,000 college graduates and 11,000 specialist high school graduates
- Promotes training for company-customized human resources development projects including industrial, academic, and governmental coupling projects
- Operation of Jeonnam Employment Center (offers real time information through customized consultation)



05 Ample affordable electric power and industrial water supply

- Electric power : 4 power plants including Yeonggwang Nuclear Power Plant (8,812MW/h)
 - * KEPCO, KDN, KPS
- Industrial water : Sufficient water supply from Juam Dam, Jangheung Dam, etc. (56 million tons/year)

06 Close to China, and Japan, as well as all across Korea



- | KTX |**
 - Seoul to Gwangju in 1 hour and 30 minutes
 - Seoul to Mokpo in under 2 hours
- | Expressway |**
 - Seohaean Expressway (3 hours from Seoul)
 - Namhae Expressway (3 hours from Busan)
- | Air |**
 - Muan Airport : Up to 140,000 flights per year
(International flights : 12 destinations including Shanghai and Beijing/Domestic flights : Jeju)
 - Yeosu Airport : Domestic flights (8 times to Seoul/day, 2 times to Jeju/week)
 - Gwangju Airport : Domestic flights (7 times to Seoul/day, 7 times to Jeju/day)
- | International Port |**
 - Gwangyang Container Pier (Extended to 20 berths of 20 to 50 thousand tons)
 - 14 berths in operations now (10 berths of 50 thousand tons and 4 berths of 20 thousand tons), 4.6 million TEUs/year
 - New Mokpo Port (Extended 9 berths of 20 to 30 tons)
 - 5 berths in operation (1 public pier of 30 thousand tons, 3 multipurpose piers, and 1 cement pier)

07 Jeonnam is a rich repository of natural environment, islands, and marine resources

- A rich repository of resources in archipelagos with 2,200 islands
- 6,400km Rias coastline (46% of the nation's)
- World's Top 5 mud flats (42% of the nation's)

08 Maximizing profits by investing in Jeonnam using

- Korea's FTAs (as of Jan. 2015)
 - Enforced with 48 countries, plus 4 countries signed and agreed, and in negotiation with Indonesia, RCEP, etc.
- Comparison of Korea and Chinese FTAs

Classification		
Effective	48 (EU, US, etc.)	19 (Taiwan, New Zealand, etc.)
Signed and agreed	4 (China, Columbia, etc.)	2 (Korea, Australia)
In negotiation	Indonesia, RCEP, GCC, etc.	GCC, SACU, Switzerland, etc.

* Korea is the only country in Asia with FTAs with the top importing countries EU, US, and China

- Easy defense against key technology leakage compared with local plant operations in China
- Easy entry into the domestic market using partnerships with companies in Jeonnam
- Save on export duties and logistics when export to China, the world's largest importer



*There is a reason
why global companies select Jeonnam*



II. Promising Businesses in JeollaNamdo

01 Diversification in the Petrochemical Industry

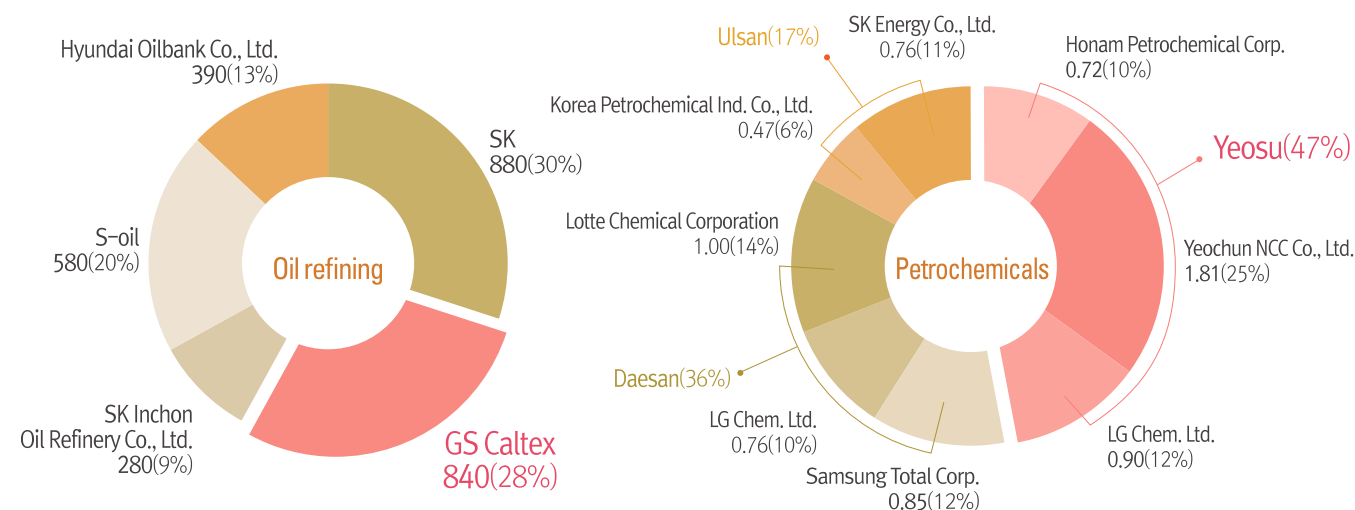
The new growth power through the advancement of the petrochemical complex and fostering the materials industries, based on the bedrock of petrochemical production in the Yeosu National Industrial Complex and Gwangyang Bay Area

- **Area** : Yeosu National Industrial Complex, Gwangyang Bay Free Economic Zone, etc.
- **Promising businesses** : Chemical materials with special functions required for production of products including electronics, automobiles, secondary batteries, medicine and medical supplies
- **Promotion policies**

Advancement of petrochemical complex	Promotion of materials industries	R&D capacity enhancement
<ul style="list-style-type: none"> • Development of Yeosu Innovative Industrial Complex • Construction of undersea tunnel between Gwangyang and Yeosu • Construction of ecological industrial complex (EIP) - Optimal use of transient life resources 	<ul style="list-style-type: none"> • Construction of functional chemical materials cluster • Promotion of petro-chemical industry based high molecule materials industry • Promotion of new driving forces 	<ul style="list-style-type: none"> • Strengthen industry-academic cooperative networks • Support of customized packages for small and medium businesses

* Comparison of chemical complexes in Korea

- **Oil refining** : GS-Caltex 840 thousand barrels/day (28% of 2.95 million barrels/day domestic capacity)
- **Petro-chemicals** : 3.43 million tons/year based on ethylene (47% of 7.27 million tons/year domestic capacity)



02 Metal materials processing industry

Steel platform and precision machining-led metal materials processing industry has been fostered as a higher-value-added business based on POSCO Gwangyang Steel Works



- **Area** : The east and west areas of Jeollanam-do including Suncheon (Yulchon 1 Industrial Complex, Haeryong Industrial Complex), Boseong, Mokpo and Goheung
- **Attracted types of business** : Magnesium alloys, carbon fibers, ceramics, automobile parts, bicycle parts, high molecular fusion and compound materials
- **Advantages**
 - Convenient as an advance base targeting China because it is adjacent to Shanghai, the largest market in China
 - Easy to supply parts to Kia Motors in Gwangju and Samsung Electronics in Gwangju

Development policies

Building metal platform cluster	Leading precision machining technologies	Customized support and R&D support
<ul style="list-style-type: none"> • Materials for improving metal resources • Materials for energy and transport machines • Next generation eco-friendly high functional materials • Materials for improving the quality of life/safety • High functional fusion and compound materials 	<ul style="list-style-type: none"> • Technical partnerships with domestic and foreign institutions • Technological advancement of metal processing technologies • Strengthening cooperation between industries - High value-added businesses 	<ul style="list-style-type: none"> • Improved competitiveness through packaging technologies • Technologies to connect small, medium, and large businesses • Advancement of technological human resources

03 Diversification of shipbuilding and ocean industries

Jeollanam-do has created an autonomous industrial ecosystem in the shipbuilding and ocean industries in the southwest area by technological advancement in shipbuilding and ocean industries and diversification of types of business based on small and medium shipbuilding industries, centered around the region's natural coastlines

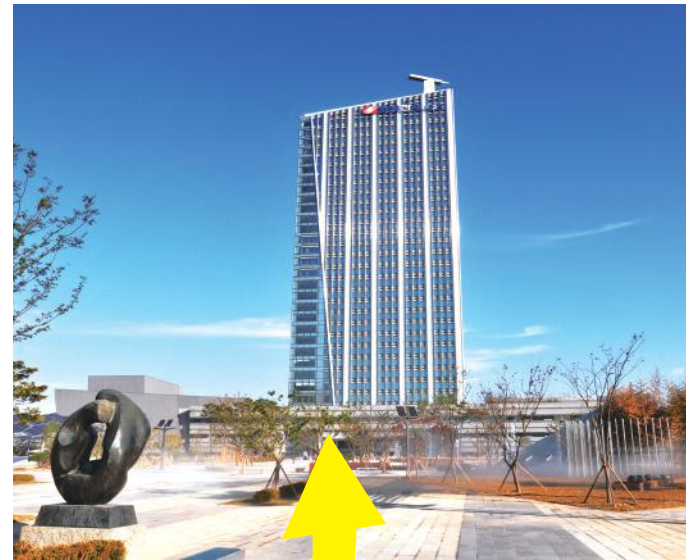
- **Area** : The southwest of Jeonnam including the Daebul Industrial Complex and Goheung Shipbuilding Town
- **Attracted types of business** : Offshore plants, leisure ship construction, shipyards, and shipbuilding materials industries
- **Development policies**
 - Support for small and medium vessels, offshore plants, and marine leisure equipment products.
 - Building and operation of the local innovation center for mid-sized shipbuilding and ocean cables test research center
 - Creating a complex specializing in the innovation projects and root industries to improve the Daebul Industrial Complex infrastructure
 - Promotion of offshore shipbuilding and professionals and support of customized jobs



04 Bitgaram Energy Valley (Gwangju and Jeonnam Joint Innovation city)

Sixteen public institutions including Korean Electric Power Corporation (KEPCO), Korea Electric Power Data Network and Korea Plant Service & Engineering have moved into Bitgaram, the only pan-regional innovation city in the country, and have grown as the largest energy and ICT integrated specialized industrial complex

- **Area** : Around Geumcheon, Sanpo-myeon in Naju, Jeollanam-do (7.334 million km²)
- **Project cost**: 1.4175 trillion won
- **Planned population** : 50,000 persons/ Self-sufficient independent new city of 20,000 households
- **Relocated institutions** : 16 public institutions including KEPCO
- **Investment**
 - Subcontractor and research center for relocated institutions
 - Industrial-academic-governmental cluster sites (energy, ICT, venture businesses, software)
 - Attraction of private knowledge industry centers suitable for characteristics of ICT, and content small and medium sized enterprises
- **Advantages**
 - Integration of energy and ICT industries related to electricity groups including KEPCO
 - Development of new products by utilizing the research centers and facilities of energy, ICT, and cultural contents
 - Building support systems to foster customized human resources for the ICT and content fields



05 Environment-friendly future car and car-tuning industry

Jeollanam-do has built the micro mobility ecosystem, including electric cars, and formed an industrial cluster related to car-tuning, included car improvements and high-performance car parts

- **Area** : Yeonggwang Daema Industrial Complex, Yeongam Samho-eup Sampo District
- **Attracted types of business** : Production of environmentally-friendly electric cars, bicycles, tuning parts, and high-tech car parts
- **Advantages**
 - Creation of the environment-friendly future car industrial cluster
 - One-stop service for development, testing, and evaluation of first class certificated circuit (KIC) car parts in Korea.
 - Operation of high performance car key technology R&D center (29 types of equipment for test and evaluation of parts) and creation of a car-tuning valley
 - Creation of e-mobility cluster and e-mobility support center

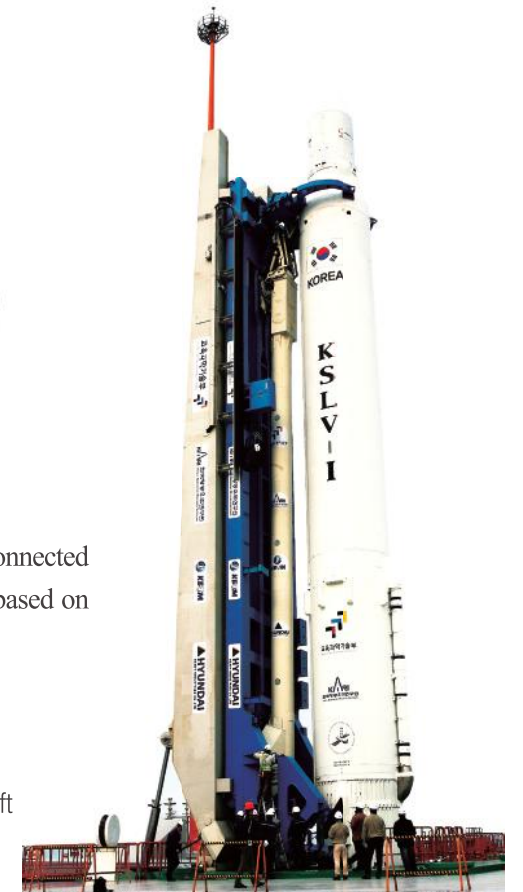
* Provides low site costs, reductions in charges and preferential use of F1 circuit, various test/evaluation equipment, employment subsidies, tax reduction (exempted from 100% of corporate taxes and income taxes for 3 years and 50% for 2 years thereafter), and support technological development engineering services which utilize the R&D centers



06 Space Air and Aviation Maintenance (MRO) Business

Jeollanam-do has built the rocket R&D center and national flight test center connected to the Korea Aerospace Research Institute, and fostered MRO businesses, based on increased small planes demand both domestically and overseas

- **Area** : Around the Korea Aerospace Research Institute in Goheung and Muan International Airport
- **Attracted types of business** : Aerospace apparatus and materials, aircraft maintenance, air training center, airline operation, airport operation
- **Advantages**
 - Support development of high technologies connecting to the Naro Space Center
 - Build and operate all kinds of ground test facilities necessary for rocket development
 - Muan International Airport can operate for 24 hours and features large airport facilities
 - Excellent accessibility to Korea, China and Japan since Jeonnam is closest to them



07 Food & bio-related industries

Has fostered bio-related industries including food, biologics, bio-tech, and oriental medicine as future strategic industries by utilizing Jeonnam's abundant natural resources

- **Area** : Around Gwangju including Naju, Hwasun, Jangseong, Gokseong and south-central areas in Jeollanam-do (Jangheung)
- **Attracted types of business** : environmentally-friendly agricultural and marine products processing, functional food, biologics (vaccines), and nano-biotechnology
- **Advantages**
 - Best raw materials in the whole country including clean seaweed, bay salt, in an area certified for environmentally-friendly agricultural products
 - Utilization of R&D support center facilities and equipment including the BioFood Technology Center
 - Connection between Hwasun Vaccine industry Special Zone and Chonnam National University Hwasun Hospital



08 Bio-energy

Leading the new bio-energy industry including photovoltaic power, wind power, tidal power, and bio-tech, based on natural resources including the most sunshine, abundant wind, and rapid currents

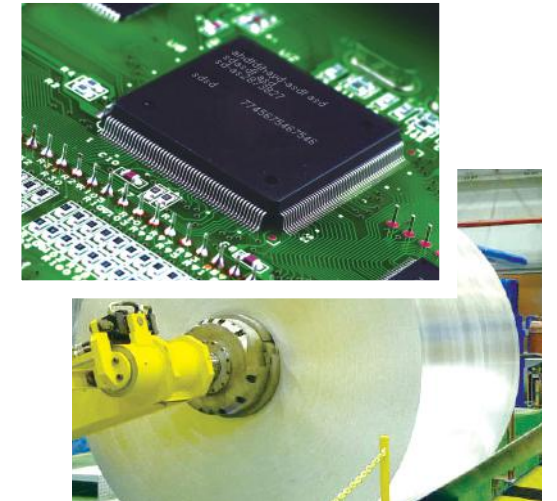
- **Area** : Around the southwestern coast
- **Attracted types of business** : Wind power, photovoltaic power, tidal power plants, manufacture of hydrogen fuel batteries, bio fuel, etc.
- **Advantages**
 - The best location for solar photovoltaic power generation, with the greatest amount of sunshine nationwide
 - The area for offshore and wind power (more than 60% of the whole country) can grow without measure
 - The right place for tidal power generation utilizing rapid currents of the archipelagoes



09 High-tech ceramic industries

Jeollanam-do has fostered the southwest's traditional ceramic industry and the higher value-added high-tech ceramic industries

- **Area** : Daeyang Industrial Complex and Ceramic Industrial Complex in Mokpo, Gwangyang Bay
- **Attracted types of business** : Ceramics, functional ceramics, raw materials and parts industries, etc.
- **Advantages**
 - Support for development of new products utilizing equipment at Mokpo National University and Ceramic Support Center
 - Utilization of B2B business connecting the shipbuilding apparatus and materials business



10 Logistics

The logistics industry, located in the exchange base of the Pacific Rim and Northeast Asia which connects China to Southeast Asia, has grown based around Gwangyang Port and the New Mokpo Port, Muan International Airport and Jangseong Complex Distribution Complex in the Southeast

- **Area** : Around the southwest coast, the rear sites of Gwangyang Port and New Mokpo Port, Jangseong Complex Distribution Complex, Muan International Airport
- **Attracted types of business** : The call and transfer distribution industry of shipping companies and airlines, distribution processing, the distribution industry
- **Advantages**
 - Gwangyang Port and New Mokpo Port are located in the international main line course and export and import activities are going smoothly
 - Providing incentives including exemption of rent and port loading and unloading costs for the rear sites
 - The Honam Complex Distribution Terminal (Jangseong) connects to the rest of the country



III. Land of JeollaNamdo

Major industrial complexes in JeollaNamdo, a key for success



Special economic zone

| Gwangyang Bay Free Economic Zone |

Gwangyang Bay Free Economic Zone is the special economic zone which has the optimal environment for business, including the geological advantages located in the center of Northeast Asia shipping logistics, industry of Gwangyang Bay including steel and chemistry, deregulation by ordinance, and support policies

- **Location** : Around Yeosu, Suncheon, Gwangyang in Jeollanam-do, plus Hadong-gun in Gyeongsangnam-do
- **Business scale** : 21 complexes in 5 zones, 77.71km² (65.54 in Jeonnam, 12.17 in Gyeongnam)
- **Period** : 2004 to 2020
- **Investment** : 17.8658 trillion won
- **Major areas** : Gwangyang Port Free Economic Zone, Yulchon Free Economic Zone, Yulchon Industrial Complex, Haeryong Industrial Complex

| Free Trade Zone |

Free Trade Zones are the place with the optimal environment for business since all the necessary functions for production, distribution, and trade are prepared for the international economic environment

- **Area** : Gwangyang Port (8,880,000m²), Daebul Industrial Complex (1,150,000m²), Yulchon 1 Industrial Complex (340,000m²)
- **Attracted types of business**
 - The manufacturing industry and wholesale trade for the main purpose of export
 - The types of business related to loading and unloading, transport, storage, exhibit, and complex distribution of articles



Major Industrial Complexes

| Mokpo Daeyang Industrial Complex |

The Mokpo Daeyang Industrial Complex is an industrial complex near the city focusing on the new growth engine industry promoted by Mokpo

- **Location** : Around Daeyang-dong in Mokpo-si, Jeollanam-do
- **Business scale** : 1.551 million m² (2012 to 2016)
- **Attracted types of business** : Sea food, shipbuilding apparatus, materials, and parts, marine leisure vessel equipment, ceramics, photovoltaic power, hydrogen electronic components, automobile manufacture industry
- **Unit price** : 268,350 won/m²



| Naju Innovation Industrial Complex |

Naju Innovation Industrial Complex is the advanced base for industrial development which includes the Gwangju and Jeonnam joint innovation cities

- **Location** : Around Wanggok-myeon (Deoksan, Jangsan-ri, Yangsan-ri) and Dongsu-dong in Naju-si, Jeollanam-do
- **Business scale** : 1.785 million m² (2008 to 2015)
- **Attracted types of business** : Electronic parts, computers, chemicals, metal, machine and equipment, and food
- **Unit price** : 190,000 won/m²



| Donghampyeong Industrial Complex |

Donghampyeong Industrial Complex is the best strategic point of traffic distribution in Korea

- **Location** : The whole of Baekho-ri, Daedong-myeon and Masan-ri, Hakgyo-myeon in Hampyeong-gun, Jeollanam-do
- **Business scale** : 735,000 m² (2012 to 2015)
- **Attracted types of business** : Metal, automobiles and trailers, electronic components, food, etc.
- **Unit price** : 111,930 won/m²



| Hwasun Biologics Industrial Complex |

Jeollanam-do Biologics Research Center, Korea Green Cross Corporation Baeksan Factory, and biologics companies are moving into this complex and the GLP Research Center, which will lead vaccine R&D, is being built now. Hwasun Biologics Industrial Complex is exploring the future of the Korean biologics industry by connecting the medical cluster to Hwasun Jeonnam National University Hospital

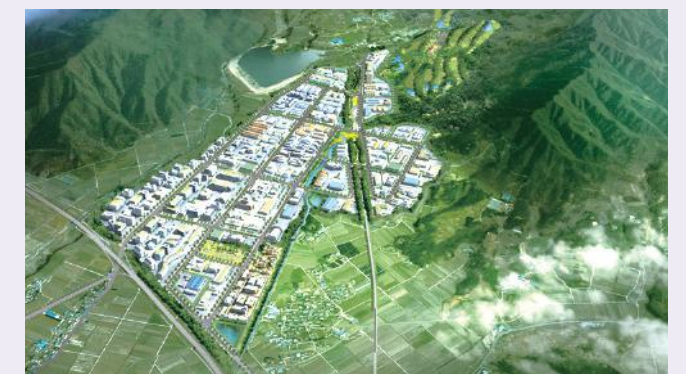
- **Location** : Hwasun-eup in Hwasun-gun, Jeollanam-do (Biologics Industrial Complex)
- **Business scale** : 756,000 m² (2006 to 2011)
- **Major facilities** : Korea Green Cross Corporation, Bioindustry Research Center, Korea Testing & Research Institute Healthcare Research Center, etc.
- **Attracted types of business** : Manufacturers of products related to medical stores and other medical treatment, R&D
- **Unit price** : 117,540 won/m²



| Jangheung Biofood Industrial Complex |

Jeollanam-do is building the bio-industrial complex for the future higher value-added industry as the new growth base of the central area in Jeollanam-do

- **Location** : Around Haedang-ri in Jangheung-gun, Jeollanam-do
- **Business scale** : 2.914 million m² (2008 to 2014)
- **Major facilities** : Natural Resources Research Center, Oriental Medicine Industrial Research Center
- **Attracted types of business** : Food and beverage industry, compound and chemical products, metal products assembly, etc.
- **Unit price** : 99,363 won/m²





| Jangseong Nano Industrial Complex |

Jangseong Nano Industrial Complex, which will include high-tech industry fields such as the Nano Bio Research Center, and the Laser System Industrial Support Center, is a cutting-edge nano convergence and integration industrial complex which integrates IT, nano technologies (NT), bio-tech (BT), and eco technology (ET)

- **Location** : Around Sandong-ri, Jinwon-myeon and Samtae-ri, Nam-myeon in Jangseong-gun, Jeollanam-do
- **Business scale** : 902,000 m² (2011 to 2015)
- **Major facilities** : Laser System Industrial Support Center, Nano Bio Research Center, etc.
- **Attracted types of business** : Companies related to the nano industry (IT, NT, BT, ET), Research center
- **Unit price** : 203,000 won/m²



| Gangjin Environment Industrial Complex |

Gangjin Environment Industrial Complex is built as the nucleus zone of the high-tech environment industrial multi cluster in Jeollanam-do

- **Location** : Around Myeongsan-ri and Songhak-ri in Gangjin-gun, Jeollanam-do
- **Business scale** : 657,000 m² (2010 to 2015)
- **Major facilities** : Environmental Industry Promotion Agency
- **Attracted types of business** : Environmental business, new recycling energy, shipbuilding materials, etc.
- **Unit price** : 93,761 won/m²



| Yeonggwang Electric Car Industrial Complex |

Yeonggwang Electric Car Industrial Complex has created the cluster of businesses which reduce green-house gases and produce environmentally-friendly transportation vehicles, and made a leap forward as the specialized area of environmentally-friendly electric cars

- **Location** : Around Songjuk-ri and Namsan-ri in Daema-myeon, Yeonggwang-gun, Jeollanam-do
- **Business scale** : 1.641 million m² (2008 to 2013)
- **Attracted types of business** : Beverage and food, machines, electronic parts, automobiles and trailer manufacture industry, etc.
- **Unit price** : 119,526 won/m²

Current Status of National Industrial Complexes

(Unit:Thousand m², %)

Location	Complex name	Designated area	Development area	Total Unit Area	No. of Units	No. of Unsold parcel	Unit Sales rate
Total	5 places	173,927	82,665	61,240	60,893	346	99.4
Yeosu	Yeosu	50,253	34,657	25,313	25,306	7	99.9
	Samil bichuk	4,157	3,777	3,442	3,442	-	100
Gwangyang	Gwangyang	96,405	29,029	24,225	24,225	-	100
Yeongam	Daebul	20,887	12,977	8,260	7,920	339	95.7
Hampyeong	Bitgreen	2,225	2,225	-	-	-	-

Present condition of general complexes

(Unit:Thousand m², %)

Location	Complex name	Designated area	Development area	Total Unit Area	No. of Units	No. of Unsold parcel	Unit Sales rate
Total	32 places	67,586	67,586	17,501	12,800	4,701	73.1
Mokpo	Sapjin	219	219	169	169	0	100
	Daeyang	1,565	1,565	-	-	-	-
	Ceramic	116	116	81	9	72	11.1
Yeosu	Ocheon	222	222	131	131	0	100
	Yulchon1	9,172	9,172	6,307	4,660	1,647	73.9
	Yulchon2	3,793	3,793	-	-	-	-
	Yulchon3	9,762	9,762	-	-	-	-
	Myodo	368	368	-	-	-	-
Suncheon	Suncheon	583	583	461	461	0	100
	Haeryong	1,592	1,592	209	209	0	100
Naju	Munpyeong	323	323	250	250	0	100
	Naju	549	549	417	366	51	87.8
	Innovation	1,785	1,785	96	96	0	100
Gwangyang	Shindo	297	297	141	141	0	100
	Hwanggeum	1,116	1,116	-	-	-	-
	Shingeum	398	398	293	160	133	54.6
Damyang	Ikshin	474	474	-	-	-	-
	Sepung	3,000	3,000	-	-	-	-
	Damyang	581	581	-	-	-	-
Goheung	Doyang	2,684	2,684	-	-	-	-
Boseong	New materials	1,952	1,952	-	-	-	-
Hwasun	Biologics	755	755	388	211	177	54.4
Jangheung	Biofood	2,914	2,914	1,216	170	1,046	14.0
Gangjin	Environment	657	657	479	40	439	8.4
Haenam	Hwawon Shipbuilding	2,058	2,058	1,502	1,502	0	100
	Samho	2,971	2,971	2,428	2,428	0	100
Yeongam	Yongdang	351	351	281	281	-	100
	Donghampyeong	735	735	504	60	444	11.9
Yeonggwang	Electric car	1,652	1,652	1,144	635	509	55.5
Jangseong	Nano	902	902	465	282	183	60.6
Jindo	Gunnae	685	685	539	539	0	100
Shinan	Shipbuilding town	13,355	13,355	-	-	-	-

IV. Tourism Development Status

01 SolaSeaDo(Enterprise city)

Set in the natural environment of Jeollanam-do, all-purpose dream city SolaSeaDo, offering leisure, sports, residence, education, and medical treatment, is catching the world's attention as it's being built

- Project period : 2006 to 2025
- Location : Around Sani-myeon in Haenam-gun and Samho-eup in Yeongam-gun, Jeollanam-do (33.9km²)
- Project cost : 1.8760 trillion won
- Development zone : Samho, Sampo, and Guseong Zones
- Major facilities
 - F1 motor race course, leisure sports complex, marina, theme park, health rest town, etc.

Promising investment businesses

- Senior town, Sea world, Herb garden, Motor sports cluster, International therapy town, Energy park, Marine sports center, Spa land
 - ➔ Application of the real estate investment immigration system : Permanent residence for 5 years will be granted for investment of over 0.5 billion won

02 Yeosu Gyeongdo Island Marine Tourism Complex

Jeollanam-do has fostered Yeosu Gyeong Island as a mecca of marine tourism by revitalizing the regional economy and introducing specialist facilities through the development of the marine tourism complex

- Project period : 2009 to 2016
 - Step 1 (2007 to 2014) : 27-hole golf course, 100 condominium rooms, infrastructure
 - Step 2 (2015 to 2016) : Golf villas (200 rooms)
 - Private facilities : Hotels, condominium, company training institutes, and commercial facilities
- Location : Around Daegyeongdo Island, Gyeongho-dong in Yeosu, Jeollanam-do (2.165 million m²)
- Developer : Jeonnam Development Corporation (100% public investment enterprises of Jeollanamdo)

Promising investment businesses

- Hotels, condominium villas, and commercial facilities
 - ➔ Application of the real estate investment immigration system : Permanent residence for 5 years will be granted for investment of over 0.5 billion won





03 Hwayang District (Gwangyang Bay Free Economic Zone)

Jeollanam-do is organizing the integrated resort complex, featuring tourism, leisure, and sports and the international leisure complex with recreational facilities, by connecting the Hanryeo Marine National Park to the archipelago and beautiful natural landscape

- **Project period** : 2006 to 2015
- **Location** : Around Hwayang-myeon in Yeosu, Jeollanam-do (9.989 million m²)
- **Developmental goals** : Creation of marine tourism hub, advanced marine tourism resort complex, and integrated recreation tourism complex
- **Attracted types of business** : Tourism, leisure, hotels, marina resort, golf course, etc.
- **Features**
 - Base of the South coast tourism belt
 - Maximize the tourism facility functions by connecting Hanryeo Marine National Park and Dadohae Marine National Park
 - Providing waterfront space and a place for leisure activity in the Gwangyang Bay area

Promising investment businesses

- Tourism, leisure, hotel, marina resort

04 Oceano

Luxurious marine resort complex with hotels, yachts, marina, and golf courses to international standards

- **Project period** : 1994 to 2015
- **Location** : Around Hwabong-ri and Jugwang-ri, Hwawon-myeon in Haenam-gun, Jeollanam-do
- **Project area** : 5.073 million m² (Land 4.294 million m², sea 779,000 m²)
- **Main agent** : Korea Tourism Organization
- **Total project costs** : 1.1809 trillion won (Public corporations 244.5 billion won, Government 105.8 billion won, Private enterprises 830.6 billion won)
- **Major facilities** : Marina, Sea World, Golf Course, golf school, outlet shopping center, seafood center, Namdo Food Village, traditional tea garden, seawater town, etc.
- * Road, electricity, water and sewage infrastructure completed

Promising investment businesses

- Marina, Golf course, shopping center, seawater town

05 Tourism Development of Islands and Coasts

Jeollanam-do is developing its islands and coasts, including themed islands, coasts, and marine leisure facilities utilizing the area's magnificent natural environment

- **Island** : Goheung Jinji Island, Yeosu Hwa Island, Shinan Imja Island, Jaeun Island, Bigeum Island, Anjwa Island, etc.
- **Coasts** : Boseong Hoecheon, Muan Wunnam, Wando Shinji, Yeonggwang Yeomsan, etc.

* Compose and operate the project team to find target areas which are suitable for the projects of investors



06 Creation of New Dream City

Jeollanam-do has upgraded the quality of Korean life by constructing new conceptual ecological centers with various amenities including leisure and medical treatment and culture, integrated with the pleasant environment, targeting the baby boom generation (1955 to 1963)

- **Project period** : 2009 to 2019
- **Development size** : 48 places (32 Land types, 8 seashore types, 8 near the golf course), 100.63 million m²
- **Major facilities** : Operation of living accommodations, leisure facilities, medical treatment facilities, well-being town, community center, etc.

Promising investment businesses

- Operation of urban development projects, leisure facilities, medical treatment facilities, and retirement city

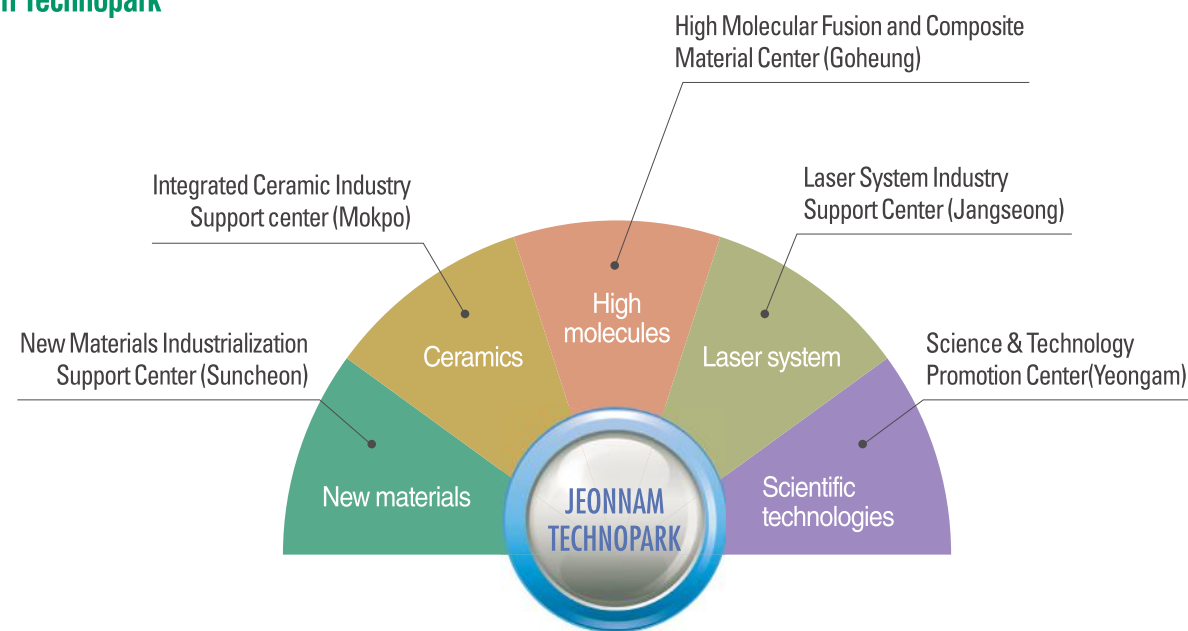


V. R&D Support Facilities

Operation of R&D support centers and research centers promising better business activities

- 20 public research centers and 425 company research centers
- Major research institutions

Jeonnam Technopark



JeollaNamdo Bio industry Promotion Agency

– 7 research centers

Bio food Technology Center (Naju), Jeonnam Biologics Research Center (Hwasun), Nano bio Research Center (Jangseong), Natural Resources Research Center (Jangheung), Biological Control Research Center (Gokseong), Oriental Medicine Industry Promotion Agency (Jangheung), Marine Bio Research Center (Wando)

Others

Green Energy Research Center (Mokpo), Environment Industry Promotion Agency (Gangin), Information Culture Industry Promotion Agency (Muan), Korea Testing & Research Institute Healthcare Research Center (Hwasun), Korea Institute of Industrial Technology Jeonnam Root Technology Support Center (Suncheon), Jeonnam National Defense Venture Center (under the Defense Agency for Technology and Quality), Jeonnam Creative Economy Innovation Center

VI. Investment Incentives

Support for all kinds of taxation and incentives

Tax Reductions and Exemptions

Category	Target tax	Period	Qualified investment requirements
<ul style="list-style-type: none"> • High technology industry and industry support service industry • Companies which move into the developmental investment area 	<ul style="list-style-type: none"> • National tax - Corporate tax - Income tax 	<ul style="list-style-type: none"> • National tax : reduction and exemption of taxes for 7 years - 100% exemption for 5 years and 50% for a further two years • Local tax : reduction and exemption for 15 years 	<ul style="list-style-type: none"> • High technology : No requirement for investment amounts • Manufacturing industry : 30 million dollars • Tourism industry : 20 million dollars • Distribution industry : 10 million dollars • R&D : 2 million dollars and employment of more than 10 people with master's degrees * Foreign companies of more than 2 people that will move into the same individual sites : More than 30 million dollars of the total investment amounts
<ul style="list-style-type: none"> • Companies which move into the typed investment areas • Companies which move into the Free Trade Zones • Companies which move into the Free Economic Zones • Companies which move into the company city development zones 	<ul style="list-style-type: none"> • Local tax - Acquisition tax - Property tax 	<ul style="list-style-type: none"> • National tax : reduction and exemption of taxes for 5 years - 100% exemption for 3 years and 50% for a further 2 years • Local tax : reduction and exemption for 15 years 	<ul style="list-style-type: none"> • Manufacturing industry : 10 million dollars • Tourism industry : 10 million dollars • Distribution industry : 5 million dollars • R&D : 1 million dollars • Company city : 10 million dollars
<ul style="list-style-type: none"> • Developers of the Free Economic Zones • Developers of company cities 			<ul style="list-style-type: none"> • FDI over 30 million dollars • More than 50% of foreign investment, more than 0.5 billion dollars of the total project costs

Infrastructure Support

- **Requirement** : Specific individual Foreign Investment Zone-designated company (Manufacturing business, over 30 million USD ; tourism industry, over 20 million USD ; logistics, over 10 million USD ; R&D over 2 million USD)
- **Descriptions** : Financing required for creation and development of foreigner investment areas
- **Business** : Road and water facilities, gas, and electric power, and waste water disposal plants
- **Support range** : Within the range of budget (75% of the government expenditure)
- **Decision** : Support based on consideration of the designation plan on foreigner investment area (Determined by negotiation considering employment effects and appropriateness of sites (non-disclosure))

Support of foreigners' life improvement

- Construction and repair of foreign schools : Up to 25% of total project costs
- Operating expenses of foreign schools : Within budget (For 3 years)
- Creation of village for foreigners : Within 25% of land acquisition cost
- Organization of service support facilities : Up to 25% of total project costs
- Establishment of accommodations for low income employees : Within 25% of establishment expenses

JeollaNamdo Investment subsidy

- Target : If the foreigner investment rate is more than 30%, or they are major stockholder
- Support range
 - 50% of foreign investment, but up to 100% for the Daebul Complex
 - Within 25% of sum of foreigner investment and reinvestment of retained earnings
- Support content

Subsidy type	Support details
Subsidy for site	<ul style="list-style-type: none"> • Industrial complex : Support 50% of the unit balance (normal unit price) • Reduced rent for foreigner investment areas of Daebul Industrial Complex : 100% for high technology industry (1 million dollars), 75% of general manufacture industry (5 million dollars) • Reduction and exemption of rent in the free trade zones : 100% for high technology industry (1 million dollars), 75% of the general manufacture industry (5 million dollars) • Individual site : Lease after purchasing the land (Reduction and exemption of tax according to business type and investment amount)
Subsidy for employment	<ul style="list-style-type: none"> • If new employees exceed 20 people, 500,000 won per additional person, within 6 months
Subsidy for education and training	<ul style="list-style-type: none"> • If education and training are done for more than 20 new employers in Korea, 500,000 won per additional person, within 6 months
Subsidy for facilities (Local government)	<ul style="list-style-type: none"> • Within the range of 5% of the equipment amount which exceeds 2 billion won
Support consulting expenses (Local government)	<ul style="list-style-type: none"> • If the projects which carried out consulting are fixed, within the range of 50% of the down payment with the objectively checked consulting companies

- ➔ **Special examples of supporting promising future growth projects (IT, BT, NT, Research centers, etc.)**
 - Support of subsidy, etc. if the investment amount is more than 1 billion won or more than 10 jobs are created
- ➔ **Large scale special support of foreigner investment companies**
 - If the investment amount is more than 0.3 billion dollars or there are more than 1,500 permanent employees per day, support will be offered preferentially exceeding the standard general support

Cash grant for high technology industries

Support Target

- High technology projects (485 projects)
 - Industrial support service industry (149 businesses)
 - Parts and materials business : Companies with new employment and jobs more than the prescribed criteria
- * New employment exceeding the number of regular workers (Based on 300 employees in case of manufacturing business)

Support Scale

- Separate calculation of support depending on technological levels (5 to 10% of normal FDI amounts), negotiation with investors, and Foreign Investment Committee screens and decision
- Composition of finances : Government expenditure (60%) and local expenditure (40%)
- Supporting method : Lump sum or installments

Support procedure

- **Certification of high technology**
Application by foreign investor for support ➔ the Ministry of Strategy and Finance ➔ Technical evaluation (Department of Industry and National Policy Research Center) ➔ Decide if it is applicable to the high technology field (Ministry of Strategy and Finance) ➔ Notice to foreign investor
- **Decision of cash grant**
Application for cash grant in certified investment projects of high technology (Foreign investor ➔ Department of Industry) ➔ Discussions with institutions, check support, and calculate the rate (Department of Industry + local government) ➔ Decision of cash grant (foreign investor committee screens and decides) ➔ The cash grant contract is made (Department of Industry + local government + investors)

Incentives

- **Tax Reduction and Exemption**
 - Reduction and exemption from national tax (corporate income tax) : For 7 years (100% for 5 years, 50% for 2 years)
 - Local tax (acquisition tax and property tax) : 100% exemption for 15 years
- **Cash grant (from the country or local government) available**
 - Land acquisition and rent cost : metropolitan areas 30:70, regional areas 60:40
 - Subsidy for employment and education & training : 50:50
 - Construction cost, capital expenditures, infrastructure costs : 30:70 for metropolitan areas and 60:40 for regional areas

* Jeollanam-do investment incentives are determined through discussion by the Jeollanam-do Investment Attraction Council to the extent of budget in the year. Please don't hesitate to contact or inquire in advance since the reduction and exemption of tax, high technology projects, and designation of Foreign Investment Zones are decided by separate screening based on requirements of the relevant central departments, including The Ministry of Trade, Industry and Energy and the Ministry of Strategy and Finance, as well as Jeollanam-do

Information on Unit Sales of JeollaNamdo Industrial Complexes

Complex	Location	Period	Area (Thousand m ²)	Estimated unit price / 3.3 m ² (Thousand won)	Recommended types of business
Yeongam Daebul National Industrial Complex	Yeongam Samho	On sale	353	229	Machine, steel manufacture, oil, chemistry, base metal mineral
Mokpo Daeyang General Industrial Complex	Mokpo Daeyang	2015	1,082	886	Sea food, ceramic, bio-energy, automobile manufacture, shipbuilding apparatus and materials parts
Mokpo Ceramic General Industrial Complex	Mokpo Yeonsan	On sale	80	887	Base metal mineral products manufacture
Yulchon 1 General Industrial Complex	Free economic zone	On sale	1,432	460	Food, base metal, 1 st metal, machine and equipment
Suncheon Haeryong General Industrial Complex	Free economic zone	On sale	971	850	1 st metal, automobile and trailers, assembly metal
Naju Innovation General Industrial Complex	Naju Wanggok Dongsu	On sale	1,220	627	Metal processing manufacture, electronic parts, communication manufacture
Naju Shindo General Industrial Complex	Sanpo Shindo	On sale	88	810	Metal processing products Electronic parts, computer images
Gwangyang Shingeum General Industrial Complex	Gwangyang Shingeum	On sale	127	960	Machine metal, 1 st metal, assembly metal
Damyang General Industrial Complex	Damyang	2015	350	495	Laboratory equipment manufacture, base metal mineral manufacture assembly metal
Hwasun Biologics General Industrial Complex	Hwasun	On sale	177	389	Medical stores and other products related to medical treatment, R&D
Jangheung Biofood General Industrial Complex	Jangheung	On sale	1,038	328	Beverage and food manufacture, compounds and chemical products, assembly metal products
Gangjin Environment General Industrial Complex	Gangjin Seongjeon	On sale	479	310	Environment industry, bio-energy, shipbuilding apparatuses and materials
Donghampyeong General Industrial Complex	Hampyeong Daedong Hakgyo	On sale	454	628	Electronic parts, computers, chemicals, metal, machine and equipment, food
Yeonggwang Electronic Car General Industrial Complex	Yeonggwang Daema	On sale	423	395	Food and beverage, machines, electronic parts automobiles and trailer manufacture
Jangseong Nano General Industrial Complex	Jangseong Jinwon Nammyeon	On sale	434	671	Machine nano industry (IT, NT, BT, ET)

JeollaNamdo Provincial Government

| Information on the institutions to support investor companies |

Institution	Department	Tel
Jeollanam-do	Investment Attraction Officer in Investment and Planning Team	+82-61-286-5170
	Investment Attraction Officer in Foreign Investment Promotion Team	+82-61-286-5120
	Investment Attraction Officer in Enterprise Promotion Team	+82-61-286-5130
	Investment Attraction Officer in New Dream City Team	+82-61-286-5160
Gwangyang Bay Free Economic Zone Authority	Investment Planning Team, Investment Attraction Headquarters	+82-61-760-5560

Location

| Information on the institutions to support investor companies |

Institution	Department	Tel	Institution	Department	Tel
Mokpo-si	Department of investment trade	+82-61-270-8210	Jangheung-gun	Department of company support	+82-61-860-0786
Yeosu-si	Department of investment promotion	+82-61-659-3390	Ganjin-gun	Department of future industry	+82-61-430-3091
Suncheon-si	Department of economic promotion	+82-61-749-3078	Haenam-gun	Company city support office	+82-61-530-5657
Naju-si	Corporate support office	+82-61-339-8301	Yeongam-gun	Department of regional economy	+82-61-470-2362
Gwangyang-si	Department of corporate investment support	+82-61-797-2362	Muan-gun	Department of license economy	+82-61-450-5716
Damyang-gun	Investment promotion group	+82-61-380-3136	Hampyeong-gun	Department of strategic management	+82-61-320-3866
Gokseong-gun	Department of economy	+82-61-360-8213	Yeonggwang-gun	Department of investment promotion	+82-61-350-5437
Gurye-gun	Department of urban economy	+82-61-780-2395	Jangseong-gun	Department of employment investment policy	+82-61-390-7074
Goheung-gun	Department of investment policy	+82-61-830-5364	Wando-gun	Department of strategic industry	+82-61-550-5120
Boseong-gun	Department of business industry	+82-61-850-5500	Jindo-gun	Department of investment marketing	+82-61-540-3831
Hwasun-gun	Department of strategic industry	+82-61-379-3043	Shinan-gun	Department of economic investment	+82-61-240-8331