



# COUNTRY REPORT

## *Korean Economy*

Since the 1960s, South Korea has achieved an incredible record of growth and global integration to become a high-tech industrialized economy. Four decades ago, GDP per capita was comparable with levels in the poorer countries of Africa and Asia. Nowadays, South Korea has a market economy which ranks 15th in the world by nominal GDP and 12th by purchasing power parity (PPP), identifying it as one of the G-20 major economies. It is a high-income developed country, with an emerging economy, and is a member of OECD. In 2010, South Korea was the sixth largest exporter and tenth largest importer in the world Korea is thus a very dynamic market oriented on innovation. ICT and electronics goods are the most well-known Korean products. However, Korea is N°1 in many other fields :

- ✓ World's largest shipbuilder: including world's largest shipyard run by Hyundai Heavy Industries.
- ✓ World's 5<sup>th</sup> largest automobile manufacturer: including world's largest automobile assembly plant (Hyundai Motors).
- ✓ World's highest internet connectivity or access with one of the fastest networks as well.
- ✓ World's largest manufacturer of screen displays (LCD, CRT, Plasma, etc).
- ✓ World's fastest increase in patents registered.
- ✓ World's largest electronics manufacturing firm: Samsung Electronics.
- ✓ World's second largest steel maker: POSCO
- ✓ World's largest producer of computer memory chips.

Innovation-driven economy, Korea offers a large market with sophisticated consumers eager to discover Western brands. Customers are very demanding and services are key to succeed in Korea. Its well-diverse economy represents opportunities for companies demonstrating excellence and bringing innovation to the market.

Cooperation fields, in which Korea needs partners goes from biotech, health industry, software engineering, car parts suppliers, agrofood or mechanical industry. Moreover, the implementation of the FTA between EU and Korea on July 1st will create new needs and opportunities for European firms by erasing the customs duties for 99% of the exchanges allowing companies to save an average of 8% of their price.

Economy of South Korea	
<b>GDP</b>	PPP: \$1.423 trillion (2010 est.)

	Nominal: \$986.3 billion (2010 est.)
<b>GDP growth</b>	6.1% (2010)
<b>GDP per capita</b>	PPP: \$30,200 (2010 est.) Nominal: \$20,265 (2010 est.)
<b>GDP by sector</b>	agriculture (3.0%), industry (39.4%), services (57.6%) (2008 est.)
<b>Inflation (CPI)</b>	2.8% (2009 est.)
<b>Gini index</b>	31.3 (2007)
<b>Labour force</b>	24.37 million (2009 est.)
<b>Labour force by occupation</b>	agriculture (7.2%), industry (25.1%), services (67.7%) (2008 est.)
<b>Unemployment</b>	3.7% (2009 est.)
<b>Main industries</b>	electronics, ICT, automobile production, chemicals, shipbuilding, steel, textiles, clothing, footwear, food processing, treatment
<b>External</b>	
<b>Exports</b>	\$373.6 billion (2009) <sup>[2]</sup>
<b>Export goods</b>	semiconductors, wireless telecommunications equipment, motor vehicles, computers, steel, ships, petrochemicals
<b>Exports - partners:</b>	China 23.2%, US 10.1%, Japan 5.8%, Hong Kong 5.3% (2009 est.)
<b>Imports</b>	\$317.5 billion (2009) <sup>[2]</sup>
<b>Import goods</b>	machinery, electronics and electronic equipment, oil, steel, transport equipment, organic chemicals, plastics
<b>Imports - partners:</b>	China 16.8%, Japan 15.3%, US 9%, Saudi Arabia 6.1%, Australia 4.6% (2009 est.)

### Market opportunities :

Biotechs, car industry, Aerospace, consumer goods, luxury goods, agrofood, services, support industries.

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