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Bank und Finanzwesen



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Bank und Finanzwesen

Liebe Leserinnen und Leser,

am 23. Juni votierten die Bürger Großbritanniens für einen Austritt aus der Europäischen Union. Über die möglichen Auswirkungen eines britischen Austritts wurde im Vorfeld des Referendums viel spekuliert, doch es hatten wohl die Wenigsten mit einem solchen Ausgang des Referendums gerechnet. Somit hat das Votum für den Brexit nicht nur die EU oder USA, sondern auch die asiatischen Volkswirtschaften überrascht. In Korea sackte der KOSPI kurzzeitig um drei Prozent ab, während der japanische Nikkei sogar um acht Prozent fiel.

Angesichts des fünften Jahrestages des EU-KOR FTA kommt das Votum für den Brexit aus koreanischer Perspektive zu einem überraschenden Zeitpunkt. Laut einem Bericht der Europäischen Kommission haben die Exporte nach Korea seit Inkrafttreten des FTA um mehr als 50% zugelegt, und europäische Unternehmen haben EU-Angaben zufolge 2,8 Milliarden Euro Zollgebühren eingespart. Es ist aus koreanischer Sicht daher wenig verständlich, warum Großbritannien angesichts solcher Handelsvorteile aus der EU austreten will. Aber es spielen natürlich noch viele andere Faktoren eine Rolle.

Wie viele andere Firmen auch müssen koreanische Unternehmen bewerten, welche Bedeutung der Wirtschafts- und Finanzplatz Großbritannien künftig für sie einnimmt. Deutschland als zentrale Drehscheibe in Europa könnte für weitere koreanische Firmen interessante Optionen bieten.

Die August-Ausgabe des KORUMs befasst sich diesmal unter anderem mit dem koreanischen Banken und Finanzsektor. Zu einer Zeit, in der ausländische Banken in Korea ihre Lizenzen abgeben und koreanische Konsortien versuchen mit Internetbanken neue Geschäftsfelder zu finden, haben wir uns umgehört und werden Ihnen einen kleinen Überblick über den Stand der Dinge verschaffen.



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Dear Readers,

On June 23, the citizens of the United Kingdom voted to leave the European Union. There was much speculation about the possible consequences of a Brexit but nobody expected such an outcome of the referendum. Therefore, the results of the referendum did not only shock the EU or the USA, but also had its effects on the Asian markets. On the day of the referendum, the Korean KOSPI fell temporarily by 3 percent and the Japanese NIKKEI by even 8 percent.

In light of the fifth anniversary of the EU-KOR FTA, the BREXIT is a surprising decision to make from a Korean perspective. According to a report from the European Commission, exports to Korea have increased by 50% and European companies have saved 2.8 billion Euros of duty payments since the FTA. It is therefore difficult to understand from a Korean perspective why the United Kingdom would want to leave the EU in face of such trade benefits but there are also factors playing a role.

Like many other organizations, Korean companies have to re-evaluate now what significance the United Kingdom will have as a finance and economic location for them. Germany as the central European hub could be an interesting option for many Korean companies.

The August issue of KORUM deals among others with the Korean banking and finance sector. In times of changes where foreign banks are returning their banking licenses and Korean consortiums are developing new business opportunities with internet banks, we looked around and will try to give you a small overview about the current situation.

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Five years have passed since the implementation of the EU-KOR FTA in 2011. The economic development and ties between the EU and Korea show that both parties have gained mutually from it. Prof Dr Gerhard Sabathil, Ambassador of the European Union to the Republic of Korea, will give us an overview in this article.

11 Schwerpunkt



Eurex, Europe's largest derivatives exchange and subsidiary of Deutsche Börse Group, and the Korea Exchange (KRX) joined into a product cooperation in 2010. Right from the start, the project received strong commitment from major banks and financial institutions around the world and has been a great success ever since.

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The Korean government is eager to support Korean companies in the search for new growth impulses. With heavy government subsidies in R&D in infrastructure, Korean companies are already building up a solid foundation for future competition.

Five years of the EU-Korea free trade agreement: Good results encourage further progress

Prof. Dr. Gerhard Sabathil

The 1st of July 2016 marked the fifth anniversary of the Free Trade Agreement (FTA) between the European Union and Korea, the first negotiated agreement with one of the rising economic powers in the Far East. It was also the first of a new generation of FTAs, characterised by its far-reaching and comprehensive nature, and therefore the most ambitious FTA negotiated by the EU.

This agreement, which has taken the EU-Korean economic relation to a whole new level, is an important part of the EU-Korea Partnership. Our bilateral economic relationship is extremely strong – arguably the strongest it has ever been. The EU and Korea are now top partners and the figures speak for themselves: Korea is now the 8th largest trade partner of the EU and the 9th largest export market, ahead of India and Brazil. For Korea, the EU has consolidated its position as the country's 2nd largest supplier of imports (i.e. 16% of total imports) and the 3rd largest export market.

I can confidently say that the FTA has worked well for both the EU and Korea in terms of increase in trade in goods, services and investments. Over the last 5 years, two-way trade between Korea and the EU expanded to reach the record level of €90 billion, with merchandise trade going up by more than a quarter, trade in services by nearly one third, and both keep a promise of further expansion in the coming years.

A close look at the evolution of European exports reveals a sharp increase since 2010, with a year-on-year growth rate of over 14%. Imports from Korea into the EU have also increased but not by as much. As a result, since 2013 the EU's traditional trade deficit with Korea has turned into a surplus. In 2015, the EU's imports from Korea amounted to €42 billion, i.e. 9% more compared to the previous year. The EU's exports to Korea during the same year reached

almost €48 billion, nearly 11% more than the year before, leading the EU to a trade surplus of nearly €6 billion.

Among EU Member States, Germany is Korea's largest trading partner in the EU, with a total bilateral trade of more than €24 billion representing 15% of total EU imports and 37% of total EU exports.

While most Member States have a more balanced trade picture, this heavy (positive) skew in favour of exports is actually at the root of most of the EU's trade surplus with Korea. In other words, the Korea-EU trade deficit is largely the reflection of a Korea-Germany trade deficit.

But running a trade deficit is not necessarily bad. It can actually signal economic health – when Korean consumers and businesses are saving money by buying cheaper foreign goods, and that the Korean economy is attracting overseas investment, which drives productivity and demand for domestic and imported goods.

And it is clear that the FTA has also been beneficial to Korea. Korean companies did much better in the depressed EU market than they would have done without the FTA both in absolute terms and compared with their main competitors, that do not have any trade agreement in force with the EU. Trade in liberalised goods grew much more than trade in non-liberalised goods.

Sectoral breakdown of trade flows between Korea and EU reflects their respective global trade patterns with focus on high-added-value and technology-intensive sectors. Machinery and transport equip-

ment – including mechanical appliances, electrical machinery and cars – and chemicals – including organic, non-organic and pharmaceutical products – were the main categories of EU's exports to Korea in 2015. On the other side, office and telecommunication equipment – including telecommunications equipment and integrated circuits and electronic components – as well as motor vehicles and other electrical and non-electrical machinery were Korea's most important exports to the EU.

These positive signs are not limited to goods; there has also been considerable growth in trade in services, the fastest-growing sector of the global economy, due to the development of Information & Communication Technologies. Bilateral trade in services increased over 46% over the last 5 years and there is still a considerable untapped potential in a number of services areas such as legal services.

The FTA has also had a positive impact on European investments in Korea and supported development of Korean investments in Europe. The logic is obvious: When our companies can export more easily, or when money saved from scrapped customs duties can be reinvested in company development, it spurs economic growth on both sides, and it safeguards and creates jobs. EU investments in South Korea increased from €37.5 billion in 2010 to €44 billion in 2014. The EU is the largest investor in the country, ahead of the U.S. and Japan, with more than one fifth all of the foreign direct investment stock in Korea. This has been instrumental in introducing innovative and efficient technologies and products, but also providing economic growth and high-quality job opportunities (more than 200,000 jobs depend of EU companies investing here). And of course, European companies that stand for work-life balance and against gender discrimination are more than happy to recruit excel-

lent female employees who may otherwise have fewer possibilities in what seems to be a more gender-biased labour market.

In 2014, the Korea FDI in Europe increased by as much as 36% compared to the previous year to reach €20.3 billion. Half of Korean cars sold in European markets are produced in the Hyundai and KIA assembly lines in the Czech Republic and Slovakia, and Korean electronics companies made a number of important investments from R&D centres to production facilities in Europe, but there is still a lot of untapped potential to further increase investments in both directions.

To be able to assess whether the FTA has been a good thing for Korea, we need also to look at the effect on consumer welfare, which is often the strongest element in the impact of trade liberalisation, particularly for highly protected sectors. A survey done by the Korea Consumer Agency (KCA) a few weeks ago found that consumer sentiment about the welfare-enhancing effect of the EU-Korea FTA was significantly high, in particular when it means larger choice, easier access and high emotional satisfaction. Yet on one criterion, namely lower prices, the survey notably pointed to underperformance. Some 89% of consumers acknowledged that, in order to effectively see lower

prices in the domestic market as a result of the effect of tariff reductions of the EU-Korea FTA, improvement in the distribution channel is absolutely necessary.

So it might be true that the benefits for consumers in terms of lower prices for imported goods are not fully visible yet, mainly because of what some have argued to be an oligopolistic and multi-layered distribution system that allows importers, distributors and retailers to pocket most of the FTA benefits without passing them on to consumers much. So far, the FTA has had little impact on the distribution system but it is hoped that further deregulation in Korea, together with the liberalisation of the services sectors under the FTA, and foreign investments in retail and distribution services, will galvanise competition in the distribution and retail sectors, unlocking the full FTA potential for Korean consumers. It is also encouraging to hear that one of the outcomes of the survey is that the KCA will request the government for a plan aimed at improving consumer welfare by reducing inefficiencies in the distribution channel for the major imported products.

Prospects

Despite the overall success, the FTA has not yet delivered on all its promises.

The EU and the Korean government carry the joint responsibility to ensure that all the agreed provisions become effective. Full implementation of the FTA continues to be of key importance to bring the expected benefits to both sides. Improvements could still be made, for instance, as regards cumbersome authorisation procedures that affect EU agricultural exports, in particular EU beef and pork, or respect of intellectual property rights, especially as it comes to public performance rights and geographical indications.

In addition, regulatory reform and a business environment that is genuinely helping foreign investments and trade would be beneficial to both Korean and EU growth. We hope the Korean efforts in this direction will bear some fruits in the near future.

In this context and with a view to further develop opportunities for EU businesses in a key trading partner as Korea, it is important to further promote responsible management of supply chains in the region by developing and disseminating Corporate Social Responsibility (CSR) practices and responsible business conduct with companies integrating social, human rights and environmental concerns in their business operations as a complement to the respect of existing legislation.



Also, measures to improve the won currency's convertibility against the Euro would have various economic benefits. Not only would there be immediate gains for private economic agents, including exporters and importers, in terms of reduced exchange rate risk, but an added benefit is that the Korean economy would be more resilient to external shocks, and therefore would be able to attract more European investment.

Trade agreements can only be effective if they remain comprehensive and up-to-date. The lessons drawn from 5 years of implementation of the agreement suggest that some provisions could be adjusted to correspond better to the ways that businesses operate today and the expectations of stakeholders on both sides. The EU is therefore looking forward to agreeing on a package of FTA amendments to further boost bilateral trade and investment, as agreed at the last EU-Korea summit in September 2015. In the meantime, the EU was also entrusted by its member states to discuss investment protection with its foreign partners. There-

fore, both sides intend to agree on relevant provisions in the future.

Brexit will not change this commitment, if anything "bilateral trade and investment should continue to develop through the Korea-EU FTA despite Britain's recent decision to exit from the European Union", was Korea's Finance Minister Yoo Il-ho's unequivocal message during talks with the EU Commissioner for Economic Affairs Pierre Moscovici on the sidelines of the G-20 Finance Ministers and Central Bank Governors meeting in Chengdu last weekend.

Finally we must ensure that the benefits of the FTA are inclusive and do reach consumers, workers and small companies as well as large ones. One way to ensure this is through both sides remaining committed to an agenda that is forward-looking to continued liberalisation of sectors and industries and reduction of regulatory obstacles to trade, which will create new opportunities for growth for companies and better quality, more choices and lower prices for consumers. The EU-Korea FTA has contributed

ultimately to improving the life of citizens, creating jobs and increasing wealth in both parties, and it must continue facilitating this exchange.

For all these reasons, I am convinced that the EU-Korea FTA has been a win-win agreement and I hope that the business communities on both sides will be able to seize the multiple future opportunities offered by the FTA. I would like to encourage EU companies to strengthen their position on the Korea market where we still see many market opportunities. And we invite more Korean companies to discover the European market, and bring new products. Not only kimchi, ginseng, makkoli, and seaweed but also more Korean cosmetics and more high-tech consumer electronics to different member States.



Prof. Dr. Gerhard Sabathil

Ambassador Extraordinary and Plenipotentiary
Head of Delegation of the European Union to the Republic of Korea

Establishing a Private Business in Korea – Foreign Direct Investment (FDI) Explained

Paul B. Sharkie

Whether you are a multinational corporation, small-medium sized company or a brand-new startup, knowing which type of entity to set up in Korea and the minimum foreign investment requirements (if any) can prove to be a daunting task. This piece will focus on what F.D.I. is and also what the requirements are to set up one particular kind of entity – a Private Business (개인사업).

Whilst any potential (foreign) investor should contact directly (or indirectly, via their legal representation) either a bank or KOTRA to start the process, I recommend starting the process with a bank as it is they

who will handle any incoming investment funds and open a corporate bank account. I shall therefore write this piece largely from a bank's perspective.

FDI Requirements

Investment amount: First and foremost, one of the key characteristics of a Foreign Direct Investment (FDI) is the requirement of a minimum investment of 100 million KRW (per non-resident). This necessity immediately rules out two other types of foreign entities from the FDI definition; Branch Offices (해외법인의 한국지점) and Liaison Offices (해외법인의 한국 사무실) but does

include Private Businesses (개인사업), Corporations (한국법인) and Subsidiaries (해외법인의 한국법인).

Investment ratio: The investment amount must be 10% or more of the total investment capital per investor. It is important to note that an investor must meet both the amount and ratio conditions at the same time.

Source of the investment fund: Any potential investor must also be aware that the investment fund must come from overseas via an inward overseas remittance (hand-carrying is only available for indi-

vidual investors). So in other words, if the investment funds are earned in Korea, they cannot be processed through the FDI notification procedure.

Private Business (개인사업)

A Private Business has the following characteristics:

- Can be a Sole Proprietorship (개인사업자) or a Partnership (동업) with a Korean resident.
- A private business established in Korea with no overseas head office.
- Considered as a Foreign Direct Investment (FDI) if the CEO or one of the partners is non-resident.
- Classified as a Korean Company and governed by the Foreign Investment Promotion Act

Establishment Procedure

1. Foreign Investment Notification

1. Visit a bank branch in person in Korea

with the required documents. (Your bank and / or legal representation can advise on what should be submitted).

2. After review from the bank's the Head Office, a "Certificate of Foreign Investment" (투자 신고필증 (신고서)) will be issued to the branch who will then contact you to let you know that you can now wire (or hand carry) the FDI funds to Korea.

2. Investment Fund Remittance

Wire Transfer:

When wiring the money, it is most important that you do not send the money to your personal Korean won bank account. Most commonly the funds will be sent to a temporary virtual / holding account which your branch will create for you. This should be done with the remitter's name (and not the company's name) listed as the beneficiary. It is also advisable at this point to remit a little extra to cover any exchange

rate fluctuations and inward remittance fees which may arise.

If you choose to hand carry the FDI funds into Korea, you must declare the funds when you enter the country at the customs office and then visit a branch with the documents obtained at the customs office to open and deposit the funds into a Foreign Currency Account.

Business Registration

This part of the procedure is usually carried out by your legal representation who should visit the National Tax Service with the required documents to obtain a "Certificate of Business Registration" (사업자등록증) (for for-profit business entities) OR a "Certificate of Identification Number" (고유번호증) (for non-profit organizations).

3. Foreign Invested Company Registration & Open a Corporate Bank Account

1. At this stage you would visit a bank branch to set up your corporate account and register your foreign invested company. Again, your bank and / or legal representation can advise on which documents will be required.
2. After review from the bank's head office, a "Certificate of Foreign-Invested Company Registration" (외국인투자기업등록증명서) will be issued.

4. Register at Immigration

With all the necessary documents now issued, a visit to immigration will be required to get the appropriate investment visa.

For more information about these required documents, you may contact Immigration's English Call Center on 1345 (Monday - Friday from 9 am - 12 pm and 1pm - 10pm).



Paul B. Sharkie

Relationship Manager, Foreign Customer
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Fintech in South Korea – Getting there... slowly

Yinka Opaneye

For a high tech industrial economy, South Korea's standing in the world of fintech isn't very secure. Crowded with mobile and PC users—the national stronghold of Samsung—and blessed by robust wireless infrastructure, analysis from institutions like MasterCard Worldwide grades South Korea's mobile payments readiness less than satisfactory, although financial services and regulations are mature. Here we focus on why that is and what the government is doing to get it ahead.

This "maturity" we speak of is a matter of interpretation. David Woo of "TechforKorea.com" laments the stringent security protocols for online payments in the country, which is based on what he describes as "trio" consisting of ActiveX, Public Key Certificates, and third-party encryption. The "trio" represents identity verification protocols embedded in Internet Explorer (IE), Microsoft Windows' default web browser. The inevitable result is online transactions in South Korea done thru IE, according to Woo, take slightly longer than they should. This is because South Korea, together with Japan, are the only countries in the world where IE is the leading web browser (!). This contrast of a technologically-driven society with startling inefficiencies is apparent

in the start-up scene too. Overall, when it comes to fintech South Korea is easily left behind by Singapore and Hong Kong, both city states that embrace free market values. Although venture capital from around the world can find talent and great ideas in South Korea, when it comes to fintech the roster is a poor one.

To date, the only established fintech players are Kakao Pay and Naver's "Happybean". Kakao Pay is an offshoot of KakaoTalk, a market dominant messaging service from Daum Kakao, which also launched "Bank Wallet Kakao" as a mobile payment service in November last year.

So far, Bank Wallet Kakao has attracted both national and multinational banks as partners. This allows partner banks to offer financial services and money transfers among mobile customers at the same time granting them access to Bank Wallet's user base. Happybean, on the other hand, is a funding portal by Naver, South Korea's top search engine.

Small-scale fintech start-ups are still rare. The few noteworthy ones are payment transfer service Viva Republica, which was founded in 2011. Viva Republica is a bit of

a dark horse in nascent Korean fintech. Its founder Lee Sung-geon is a dentist by training and his start-up's seed capital came from Silicon Valley rather than local VCs.

When Viva Republica was featured in the national newspaper Korea Herald, Lee shared some of the pain Korean start-ups go through: "There have been so many barriers for startups to enter the finance market, from a required starting capital of 1 billion won (\$918,000) to a month's long government review process, to excessive vaccine and security programs."

Even more surprising, the better players in South Korean fintech are ventures by established financial institutions like My Shinhan Pay, an online payments portal from South Korea's most powerful bank. In typical fashion, the biggest ripples in South Korean fintech were made by Samsung's acquisition of Boston's LoopPay earlier this month. Worse, homegrown champions have to contend against leaner tech giants like Alibaba's Alipay and even PayPal.

Chinese firms like Tencent and Baidu are well-established and have no local rivals, providing loans and investment brokerage, respectively.

The relative scarcity in fintech start-ups isn't surprising when its context is understood. In South Korea's business landscape industrial giants and conglomerates thrive under government protectionism. A handful of major banks are favored as well and the regulatory environment for finance is daunting for entrepreneurs. While this arrangement made South Korea what it is today—the 12th strongest economy on Earth—it has its limits.

Since 2012, annual GDP growth hovered between 0.4-1%. As 2014 drew to a close with another disappointing quarter, the country's leadership rolled out specific measures for boosting homegrown innova-



tion on a start-up scale. By January, \$3.2 billion in funding is being directed to foster a "creative economy" far-removed from the rigid hierarchies of the corporate sector.

On December 2014, the Financial Services Commission published its Fintech Innovation and Financial Policy, which outlined the new benchmarks for making South Korea's fintech scene more competitive. The FSC's findings were hopeful. It noted that 94% of the online population availed of online banking services in 2013. Interestingly, the

FSC's report also pointed out that the convergence of IT and financial services is a perfect fit for South Korea. Giant technology firms are monopolistic by nature and so are giant financial institutions. Both can mix well.

To hasten this process, the FSC eased regulations on financial transactions, simplified the notorious online payment system, and even launched a Council for IT-Finance Integration. The FSC's benchmarks are simple. These span establishing an online bank, faci-

litate crowd funding, ease regulations, and allow online insurance sales.

South Korea is admittedly a late bloomer, but if it can pull off a fintech turn-around it could probably vault a few rungs up the disruption scale and challenge the prevailing dominance of Singapore and Hong Kong.



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Korea Exchange and Eurex: bridging European and Korean financial markets

Stefan Morgenstern

August 2010: Eurex extends trading hours for the KOSPI 200 Options

The KOSPI 200 Options were the most heavily traded derivative product in the world as of 2010. On 30 August 2010, Eurex made KOSPI 200 Options available outside of Korea for the first time after Korean trading hours. The move was a part of KRX's strategy to extend the global reach of KRX products. Being the operator of cash and deri-

vatives markets in Korea and only offering trading during Korean business hours, KRX's cooperation with Eurex let global banks and other financial institutions trade the KOSPI 200 Options during European and American trading hours.

For Eurex, this cooperation was another major milestone in its strategy to extend its global product offering. Listing the most heavily traded options contract in the world

on Eurex enabled international investors and traders to access the KOSPI 200 Options after the Asian markets' trading hours were over.

Since the beginning, KOSPI 200 Options on Eurex have surpassed several trading milestones and have been successfully established in the market. For many domestic and international banks as well as financial institutions, the product has played an



important role to react to global economic events, which affect the KOSPI 200 index after the Korean market has closed. Although regulatory changes in Korea have been challenging, the KOSPI 200 Options on Eurex have maintained their consistent growth with major banks and other financial institutions' interest and support.

February 2013: Eurex receives permission to offer a full suite of products in South Korea

In February 2013, Eurex received permission from the Korean Financial Services Commission (FSC) to offer its full suite of products in Korea. Banks and other financial institutions from Korea now had direct access to the Eurex Exchange network and to all Eurex Exchange products including EURO STOXX 50®, DAX® and SMI® Futures and Options as well as Europe's most important government bond derivatives: Bund, Bobl and Schatz.

By the end of April 2015, the KOSPI 200 Options on Eurex celebrated their fifth year of ongoing success. The extension of trading hours and access to the KOSPI 200 Options through the Eurex platform had made a key contribution to further development and globalisation of the Korean derivatives market.

April 2016: Eurex and KRX deepen their cooperation with new products

The KOSPI 200 Options on Eurex were just the beginning of a successful partnership between Eurex and KRX — and a major step in connecting Asian and European financial markets.

The signing event between Eurex and the KRX on 20 April 2016 in KRX's Seoul Office marked another milestone in their partnership. The agreement featured the upcoming listing of Mini KOSPI 200 Index Futures during European and American trading hours on Eurex and, in addition, the listing of EURO STOXX 50 Futures, traded in Korean Won on KRX during Korean trading hours.

With the introduction of Mini KOSPI 200 Futures on Eurex, international investors will be able to trade another Korean product outside Korean trading hours. Mini KOSPI Futures on Eurex will be the perfect hedging vehicle for the KOSPI 200 Options on Eurex, both complementing each other.

June 2016: KRW-denominated EURO STOXX 50 Futures are listed

The listing of the KRW-denominated EURO STOXX 50 Futures on the Korea Exchange (KRX) will hopefully build a foundation for

the KRX to position itself as an Asian financial hub. It will also create a favourable environment for domestic investors to trade foreign derivatives by reducing transaction costs and foreign exchange risk. The contracts have a multiplier of KRW 10,000 and have three quarterly contract months. Trading hours are from 09:00 to 15:45 Korean time and trading holidays are the same as those for the existing KRX equity index products. Position limits are 50,000 contracts for institutional and 25,000 contracts for retail investors. The trading of EURO STOXX 50 Futures officially started at 10.25 on 27 June 2016. The first trading day saw a volume of 1,142 traded contracts with a trading value of KRW 30.975 billion and an open interest of 18 contracts. Liquidity was provided by eight market makers and 30 brokers participated in the trades.

The strategic cooperation between KRX and Eurex has already been proven very beneficial for both Eurex and KRX customers. It will continue to provide market participants with more trading and hedging opportunities on both exchanges.



Stefan Morgenstern

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Deutsche Boerse Group

Perspectives on the Korean Finance Market

Sungbai Hwang

Let me start this article with a quote from a newspaper. The headline was: "Exodus in Financial Sector: Foreign Financial Companies leaving South Korea."

"An increasing number of non-Korean financial companies are leaving South Korea as the profitability of its financial industry is deteriorating due to regulations and low interest rates. For example, Barclays decided to do so early this year and Goldman Sachs and UBS have returned their banking licenses.

Under the circumstances, the number of foreign financial companies' branches in the country dropped from 57 to 46 between 2013 and last year. Experts point out that this situation could negatively affect South Korea's participation in global project financing and foreign currency procurement." (Business Korea, 21 July 2016)

Let me add another quote from the same article:

"Doing banking business in South Korea is indeed a tough job because the rate of return compared to equity capital or asset value is extremely low," said an industry insider, adding, "This structural low profit is driving foreign financial companies out of South Korea."

I may be called another industry insider though I was not the one who was quoted. As a relationship manager at an international bank, I am frequently asked to give an

update on the current status and the trend of the regulatory environment of the Korean markets. I check each time especially for the changes planned to update the existing or the potential clients of the bank I work for. As far as the foreign exchange regulations for the corporate clients are concerned, I have not had any significant changes to report. I am not aware of the plans by the Korean regulators to open up the markets significantly further.

As an employee for a German bank, I speak to the clients from Germany or other European countries most often, where the foreign exchange regulatory environment could be called the "most open and free" in the world as I experienced. I find it tough to help them understand the Korean regulatory framework and tougher to relate about the practices and nuances. This could be a general case for a German or a European corporate executive looking at the regulatory environment of an Asian country but I may add that the expectation for Korea, an OECD country is at a higher level. They tend to be alarmed at the responses from a person like me that they are advised to be cautious and not adventurous in terms of approaching a regulatory question.

Korea may not be considered on its own

only. From an international corporate client's point of view, Korea is one of the countries in Asia being compared all the time with Japan, China and many other countries. They tend to get regular updates on China especially on the foreign exchange and other changes in regulations. They also hear about the trend and the expected changes in the future. Japan is a country where the funds can flow in and out of freely in general. Korea is between these two countries geographically and also in terms of deregulation.

To be more specific: Many multinational corporate clients manage their liquidity position at global and Asia-regional level. You would like to use your cash in your pocket first before you ask a bank to borrow. If you have cash in Japan and are short in Singapore, you would first ask your Japanese entity to lend to the Singaporean subsidiary instead of going out for an external funding source. In practice, you would bring all the cash balances to a single center in Asia and distribute among your subsidiaries as required. This is called "cash pooling" and is widely used in the European markets by the multinational companies.

German or European executives in this country will typically hear that cash pooling

does not work and see that many of his counterparts in other companies carved out Korea from their cash pooling map. I myself also hear frequently about the so-called "trapped cash" in Korea and feel uncomfortable every time. Countries listed for that situation are not the ones Korea would typically intend to be grouped with.

You may achieve a quasi cash pooling scheme including Korea under the existing foreign exchange regulatory environment. As I checked, there have been not many international corporate clients in Korea setting up that mechanism to move cash into and out of the country. There could be various reasons why it has not been popular. Time and efforts required to study and implement may come the first. Documentary requirements and workload involved may be the second. The ceiling of 30 million USD in spite of all those could be one of the major show stoppers among all others. There are not a few multinational clients in Korea with the annual turnover of 1 billion USD and more. 30 million USD may not be sizable enough to turn their attention to that alternative. I think this is one of the areas where they would like to hear about the future plans for changes.

30 million USD is a threshold appearing a few times in the current foreign exchange regulations of Korea. I heard from my predecessors that it used to be 10 million USD for a few categories but think it must have been quite some time back. I understand that this has been one of the most frequently raised wishes by the multinational clients in Korea. Expectation could be the ceiling might go higher or that the numbers could be different among the corporate clients as per the size of the entity in Korea.

The KRW is not an international currency and I do not think that it will be one in the near future. International corporations operating in and with Korea are in general aware and are advised about the legitimate uses of the currency as a non-resident. Though there were changes in the foreign exchange regulations during the past few years, I might not say that they were fully



reflecting the current economic reality in Korea. There are not a few cases that the advising bankers might be sympathetic to a broader way of interpreting the current foreign exchange regulations but have to advise the clients against it after reading the related clauses word by word.

Let's come back to the article quoted. There is certainly a tendency to leave or consider leaving the Korea market by the international financial institutions. As a person in industry, I would comment that each departure must be looked at differently and that each institution has its own reason to do so. Still, it is worrying as we look at the reduced number of the international players in Korea and at the general notion that Korea is a place tough to survive in. It may not be factually or statistically correct to say that it is a difficult to break even in Korea.

Many international banks and financial institutions are facing different headwinds regionally and globally. They are being asked tough questions by the internal and external stakeholders: Where can you reduce the cost and fold the businesses they may not justify on a longer term basis. Which country or region can you escape from not hurting the overall health and profitability? These will be the questions they ask themselves every day.

In that context, countries consciously compete with each other in terms of inviting the international financial institutions and multinational companies and keeping them to their own country. We see various rankings in the media and may ask where Korea stands in terms of attractiveness as a new destination or as an existing base. I think Korea may improve by enhancing visibility

and transparency.

Korea is a country heavily dependent upon international trades and is thought to stay that way. Discussion on ideas to help promote the international trades by changing the Korean financial market environment more accommodative and friendly will be constructive. Preparing for the more open markets, setting up conditions to take those measures and sharing with the existing and the potential market participants will also help. Let's make Korea a little more attractive in the financial market map in the world.



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NOWAK & PARTNER

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◆ Turn-key Firmen-Setup	Ihre Niederlassung benötigt kurzfristig eine externe Geschäftsführung bis eine neue permanente Führungskraft verfügbar wird.	Nowak & Partner bietet Ihnen im Rahmen eines Interim-Managements die Leitung Ihrer Niederlassung auf Zeit.	Als bestellter Geschäftsführer übernehmen wir die Leitung Ihrer Niederlassung in schwierigen Situationen und überbrücken nicht nur die Zeit bis zur Anstellung eines neuen Geschäftsführers, sondern auch die zwischenmenschliche Komponente über Landesgrenzen hinweg.
◆ HR-Beratung & Executive Search			
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◆ Interim-Management	Sie möchten Ihre Niederlassung von einer externen Geschäftsführung administrativ leiten lassen.		
◆ Mergers & Acquisitions			
◆ Treuhänderische Firmenverwaltung			

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Kaufkraft und Konsumverhalten in Korea 2016

Singlehaushalte und alternde Bevölkerung beeinflussen

Alexander Hirsche

Korea has a high purchasing power with one of the highest wages in Asia. More than half of the population lives in densely populated metropolitan cities like Seoul and Busan. Together, they make up a consumer group which spends a lot of money on education and cuisine. However, the slowdown of global and domestic economy as well as demographic changes is taking its toll on the consumer climate.

Korea verfügt über eine hohe Kaufkraft. Etwa die Hälfte der Bevölkerung konzentriert sich auf den Großraum Seoul. Weitere Großstädte zählen zu den Ballungsgebieten. Koreaner geben viel Geld für Bildung und Kulinarisches aus. Allerdings drücken die schlechte Konjunktur und die steigende Verschuldung der privaten Haushalte auf das Konsumklima. Der demografische Wandel mit einer schnell alternden Bevölkerung wird zukünftig die Ausgabenstruktur nachhaltig beeinflussen.

Kaufkraft

Korea rangiert gemäß der OECD-Statistiken aus dem Jahr 2014 auf Platz eins im asiatischen Lohnranking. Entsprechend hoch ist die Kaufkraft der Bevölkerung. Koreanische Haushalte hatten 2015 im Durchschnitt ein Nettomonatseinkommen von 3,39 Mio. Won (circa 2.697 Euro; 1 Euro = 1.255 Won – Jahreswechsellkurs 2015). Die Löhne und Gehälter lagen im April 2015 nach Angaben des Ministry of Employment and Labor lediglich in Seoul (+12,2%) sowie in den Provinzen Ulsan (+28,0%), Süd-Jeolla (+2,3%) und Süd-Chungcheong (+1,8%) über dem Landesdurchschnitt. Bereits in der um Seoul liegenden Provinz Gyeonggi werden im Schnitt 14% geringere Löhne gezahlt als in der Hauptstadt. Die niedrigsten Einkommen im Vergleich zum Landesdurchschnitt gab es auf der Ferieninsel Jeju (-25,7%) und in Daegu (-19,0%). Knapp die Hälfte der Bevölkerung von etwas mehr als 51 Mio. Menschen lebt im Großraum Seoul, bestehend aus der Hauptstadt, der umliegenden Provinz Gyeonggi und der Stadt Incheon. Interessant für ausländische Anbieter sind daneben vor allem die

Großstädte, allen voran Busan mit 3,5 Mio., Incheon mit 2,9 Mio. und Daegu mit 2,5 Mio. Einwohnern. Die Einkommen sind in Städten höher als in ländlichen Regionen. Die durchschnittlichen Monatseinkommen sind 2015 nur um 1,6% auf 4,4 Mio. Won gestiegen. Besorgniserregend war die Entwicklung der Einkommen in der Altersgruppe unter 40 Jahren, die erstmals seit Beginn der Aufzeichnungen sank, um 0,6% auf 4,3 Mio. Won. Beobachter führen diesen Trend auf die seit 2014 angespannte Arbeitsmarktlage besonders für jüngere Menschen und Universitätsabsolventen zurück.

Die höchsten Einkommen haben Haushalte mit einem Familienoberhaupt im Alter von 50 bis 59 Jahren (5,1 Mio. Won). Dies dürfte dem nach wie vor weit verbreiteten Senioritätsprinzip im Entlohnungssystem geschuldet sein. Alleinverdienerhaushalte – mit 60% Anteil noch immer das überwiegende Familienmodell – haben angesichts stei-

gender Kosten zunehmend Schwierigkeiten, ihren Lebensunterhalt zu bestreiten. Haushalte mit zwei Berufstätigen verfügen im Schnitt über 5,4 Mio. Won pro Monat und damit über 40% mehr als die nur von einem Arbeitnehmer abhängigen Haushalte.

Konsumverhalten

Der schwache Konsum der privaten Haushalte gilt als strukturelle Schwäche der Wirtschaft. Die Zuwachsraten liegen seit Jahren unterhalb der Wachstumsraten des Bruttoinlandsprodukts (BIP). Verschiedene Faktoren wirken sich hemmend auf die Konsumausgaben aus – wie etwa die demografische Entwicklung mit niedrigen Geburtenraten und einer schnell alternden Bevölkerung, die ab 2030 abnehmen wird. Das derzeitige Medianalter von 40,8 Jahren wird sich bis 2040 auf 52,6 Jahre erhöhen.

Gleichzeitig steigt die Arbeitslosigkeit vor allem bei jungen Menschen stark an, auch die Altersarmut nimmt zu. Des Weiteren ist die Verschuldung der privaten Haushalte sehr hoch, und auch die Bildungsausgaben sind im internationalen Vergleich auf einem beträchtlichen Niveau. Eine gute Ausbildung

Einkommensentwicklung der Haushalte

in 1.000 Won pro Monat^{1) 5)}

	Brutto	Veränderung (in %) ²⁾	Netto ³⁾	Veränderung (in %) ²⁾	Netto pro Kopf ⁴⁾
2013	3.618	1,7	3.302	1,6	1.184
2014	3.692	2,0	3.361	1,8	1.240
2015	3.722	0,8	3.385	0,7	1.410

1) laufende Preise; 2) gegenüber dem Vorjahr; 3) nach Abzug von Steuern und Zahlungen in Sozialversicherungs- und Rentensysteme; 4) durchschnittliche Haushaltsgröße in Personen 2011: 2,83; 2012: 2,81; 2013: 2,79; 2014: 2,71; 2015: 2,64 5) durchschnittliche Wechselkurse (Won pro Euro) 2011: 1.541; 2012: 1.448; 2013: 1.454; 2014: 1.398; 2015: 1.255

Quellen: Statistics Korea, Deutsche Bundesbank

Entwicklung der Konsumausgaben

in 1.000 Won pro Monat ¹⁾

	Pro Haushalt	Pro Kopf ²⁾	Veränderung (in %) ³⁾
2013	2.167	780	0,5
2014	2.206	814	1,8
2015	2.193	831	-0,6

1) laufende Preise; 2) durchschnittliche Haushaltsgröße in Personen 2011: 2,83; 2012: 2,81; 2013: 2,79; 2014: 2,71; 2015: 2,64 3) gegenüber dem Vorjahr

Quelle: Statistics Korea

ist kostspielig, allerdings wichtigste Voraussetzung für den wirtschaftlichen und gesellschaftlichen Erfolg. Die Kosten für private Nachhilfeschulen oder Kindergärten liegen zwischen 300 und 1.500 US\$ pro Monat und absorbieren einen wichtigen Teil der Kaufkraft. Koreaner geben auch relativ viel Geld für Restaurantbesuche aus, denn sie sind gesellig, und Geschäftsessen sind verbreitet. Allerdings zeichnet sich im Zuge der seit 2014 schwächelnden Konjunktur und der zunehmenden Zahl an Singlehaushalten auch ein Gegentrend ab. "Home and alone" – so lassen sich die sich verändernden Konsumgewohnheiten charakterisieren. Denn der Anteil von Einpersonenhaushalten hat sich zwischen 1985 und 2015 mehr als vervierfacht. Heute leben 27% der Bevölkerung alleinstehend. Dieser Trend wird sich in Zukunft fortsetzen. Dies führt dazu, dass immer mehr Einwohner angesichts knapper Kassen zu Hause essen oder alleine in Restaurants und Kaffees gehen. Die Lokaltäten reagieren mit angepassten Sitzformationen wie "Bar-Style-Arrangements", an denen man – ohne peinlich aufzufallen – alleine sitzen kann. Es boomen Lieferservices und Fertiggerichte mit zweistelligen Zuwachsraten. Auch steigen die Ausgaben für Haustierzubehör enorm an, da sich immer mehr Koreaner einen Vierbeiner als Familienersatz zulegen.

Die Ausgaben für Telekommunikation sind hoch, aber rückläufig. 2015 ging der Konsum von Kommunikationsausrüstungen um 6,1% zurück, im 1. Quartal 2015 sogar um 10,3%. Smartphones und andere mobile Geräte sind bereits weit verbreitet, der lokale Markt befindet sich in einer Sättigungsphase. Daneben wenden südkoreanische Haushalte auch relativ viel für Bekleidung und Kosmetika auf. Insbesondere die Kosmetikbranche erlebt seit Jahren einen ungeheuren Boom, vor allem ältere Menschen haben ihre Käufe von Kosmetika erheblich ausgeweitet.

Mit der rapiden Alterung der Bevölkerung

werden die Ausgaben für medizinische Versorgung voraussichtlich überdurchschnittlich steigen. Die Aufwendungen für Kultur und Freizeit dürften ebenfalls einen zunehmenden Anteil der Konsumausgaben beanspruchen. Gerade unter den jüngeren Koreanern gibt es zunehmend einen Mentalitätswandel, weg von der Fokussierung auf die Arbeit und hin zu Werten wie Work-Life-Balance und verstärkte Lebenszufriedenheit. Sorgen bereitet die Tatsache, dass die sogenannten Babyboomer – die Generation der zwischen 1955 und 1963 geborenen Koreaner – allmählich in Rente gehen und dadurch weniger konsumieren können. Nach

Struktur der monatlichen Konsumausgaben der privaten Haushalte 2015 ¹⁾

	in 1.000 Won	Veränderung (in %) ²⁾	in Euro
Nahrungsmittel, Getränke	336	0.7	268
Essen in Gaststätten, Restaurants	280	0.0	223
Wohnraum	103	13.9	82
Energie und Wasser, andere Dienstleistungen für Wohnen	156	-2.9	124
Möbel, Haushaltsgeräte	89	-1.4	71
Kleidung und Schuhe	137	-5.3	109
Kosmetika	67	-0.9	54
Medizinische Versorgung	155	3.0	123
Verkehr	271	-3.9	216
Telekommunikation	123	-3.2	98
Bildung	220	-2.2	175
Kultur, Freizeit	128	1.5	102
Sonstige Konsumausgaben	119	-0.3	95

1) laufende Preise; 2) gegenüber dem Vorjahr

Quellen: Statistics Korea, Deutsche Bundesbank



Einschätzung des KIET (Korea Institute for Industrial Economics and Trade) galt diese 7,3 Mio. Menschen umfassende Gruppe in den vergangenen Jahren als Hauptmotor des Konsums, da sie in der Regel über einen besonders hohen Bildungsstand und ein relativ großes Vermögen verfügt. Das durchschnittliche jährliche Haushaltseinkommen der Babyboomer liegt mit 51,8 Mio. Won mehr als ein Viertel über dem Gesamtschnitt. Gleichzeitig ist zu erwarten, dass diese Gruppe künftig als "aktive Senioren" den Konsum in bestimmten Bereichen stärkt, etwa bei für diese Altersgruppe angepasste Haushaltswaren, Gesundheitsprodukten, Kosmetika oder Reisen.

Markenprodukte sind weit verbreitet, und die Konsumenten sind bereit, für sie viel Geld zu bezahlen. In Korea gilt nach Aussage von deutschen Unternehmensvertretern das Prinzip: Was man sich leisten kann wird auch gekauft! Generell ist insbesondere Seoul ein sehr guter Markt für Luxusprodukte. Davon profitieren deutsche Unternehmen, wie in jüngerer Vergangenheit vor allem Lieferanten von hochwertigen Pkw, die regelmäßig zwei stellige Zuwachsraten verbuchen konnten. Der optische Eindruck eines Produkts war bisher oft wichtiger als seine Funktion. Allerdings macht die Konjunkturschwäche die Konsumenten zunehmend preissensibel. Die Nachfrage nach günstigen Produkten, die allerdings qualitativ gut und funktional sein müssen, dürfte demzufolge steigen. Darüber hinaus

nehmen aufgrund diverser Skandale mit Todesfolgen auch Sicherheitsaspekte einen zunehmenden Raum ein. Koreaner haben als Kunden vor allem in punkto Schnelligkeit hohe Erwartungen. In manchen Fällen werden Reparaturen auch außerhalb von Garantiezeiten kostenlos erbracht. Koreaner sind auch im geschäftlichen Bereich häufig impulsive Kunden. Um erfolgreich verkaufen zu können, muss die Stimmung ("kibun") stimmen. Traditionelle Märkte und kleine Geschäfte machen zunehmend großen Einzelhandelsunternehmen (Discounter, Warenhäuser, Supermärkte und Convenience-Geschäfte) Platz. Am schnellsten zogen 2015 die Umsätze von Convenience-Läden (+29,6%) an. Diese werden je nach Standort zunehmend umfunktioniert in 24-Stunden-Anlaufstationen, nicht nur für Lebensmittel, sondern auch für Dienstleistungen wie Lieferservices und Gepäckaufbewahrung oder als Cafés, Lern- und Schminkräume. Doch auch sie sind zunehmender Konkurrenz des elektronischen Handels ausgesetzt, denn die rapide Verbreitung der Informations- und Kommunikationstechnik bietet diesen neuen Handelsformen einen hervorragenden Nährboden. Die Umsätze im Teleshopping sind 2015 um 11% auf 11,9 Bill. Won angestiegen. Die Verkäufe der Onlinemalls erhöhten sich 2015 um 19,1% auf 53,9 Bill. Won. Die Umsätze im Mobile-Shopping stiegen 2015 um 64,3%. Der Trend setzte sich in den ersten Monaten 2016 mit ähnlich hohen Wachstumsraten fort. Mehr als die Hälfte der Onlinekäufe wurden mit einem mobilen

Gerät getätigt. Über 60% der Bestellungen entfielen dabei auf Kleidung, Schuhe und Babyartikel. Neue und einfachere mobile Zahlungsmöglichkeiten erleichtern den Konsumenten den Kauf.

Käufe auf Kredit sind weit verbreitet. Zwar entfällt der Großteil der Schulden privater Haushalte auf den Erwerb von Immobilien. Dennoch ist auch der reguläre Einkauf per Kredit üblich. Der Anteil der Kreditkartenzahlungen an den privaten Konsumausgaben stieg seit 2010 von 57,0% auf 63,3% (2015). Eine zunehmende Anzahl von Haushalten bekommt jedoch Schwierigkeiten mit der Rückzahlung der Verbindlichkeiten. Der prozentuale Anteil der sogenannten Schwellenhaushalte ("marginal households"), deren Quote von Verschuldung zu verfügbarem Einkommen über 40% liegt, stieg 2015 weiter auf 14,8% an. Noch 2012 hatte der Vergleichswert bei 12,3% gelegen. Insbesondere Personen über 60 Jahre, Selbstständige und Familien mit niedrigem Einkommen tendieren zu einer hohen Verschuldung. Die privaten Haushalte waren 2015 übergreifend mit 77,2% des BIP verschuldet beziehungsweise mit 145,6% des verfügbaren Einkommens (März 2016). Und dieser Negativtrend setzt sich weiter fort.



Alexander Hirschle

Korrespondent von Germany Trade & Invest in Korea.

Korea setzt auf selbstfahrende Fahrzeuge

Internationale Kooperationen werden intensiviert / Anpassung der Infrastruktur hat begonnen

Alexander Hirschle

The Korean government is eager to support its native companies in the search for new growth impulses. With heavy government subsidies in R&D in infrastructure, Korean companies are already building up a solid foundation for future competition.

Die koreanische Autoindustrie stellt mit Vorhaben bei selbstfahrenden Fahrzeugen die

Weichen in Richtung Zukunft. Die Regierung will in den nächsten fünf Jahren die Ent-

wicklung entsprechender Kerntechnologien fördern. Damit soll die Position im Rennen um die Spitzenplätze in dieser Zukunftsbranche gestärkt werden, zumal sich der lokale Kfz-Markt zuletzt mit gemischten Ergebnissen präsentierte. Im März 2016 hat

das Transportministerium die erste Lizenz für ein selbstfahrendes Auto vergeben.

Die Fördermittel der Regierung in Höhe von 145,5 Mrd. Won (circa 115,8 Mio. Euro; 1 Euro = rund 1.257 Won; im Jahresdurchschnitt 2015) sollen in acht Kernbereiche investiert werden, wie unter anderem in die Entwicklung von Kamera- und Radarmodulen, digitalen Landkarten sowie integrierten Kontrollsystemen. Darüber hinaus sind weitere Fördermaßnahmen angedacht, wie zum Beispiel Nachlässe auf Versicherungsprämien von "Smart Cars". Ferner will die Regierung 7 Mrd. Won in die sogenannte "Automotive Convergence Alliance" einbringen, die im Dezember 2015 gegründet wurde.

Die Maßnahmen sollen im 2. Halbjahr 2016 starten und dazu beitragen, dass koreanische Unternehmen ihre Technologiekooperationen in diesem Segment forcieren und gemeinsame Forschungsprojekte umsetzen. Die Allianz setzt sich zusammen aus 90 Unternehmen, die in den Bereichen Kfz, Informationstechnologie (IT) und Telekommunikation tätig sind.

Regierung berät sich mit Branchenfirmen

Nach Einschätzung des koreanischen Wirtschaftsministeriums Motie (Ministry of Trade, Industry and Energy) in der lokalen Presse würden IT-Firmen wie Google und Apple aber auch das Unternehmen Tesla die künftige Landschaft der Automobilindustrie stark verändern. Koreanische Firmen wollen jetzt verstärkt die neuen Möglichkeiten nutzen. In diesem Zusammenhang hatte sich Wirtschaftsminister Joo Hyung-hwan Ende April 2016 gemeinsam mit Branchenvertretern aus dem IT-Sektor wie beispielsweise Naver und Chaebols wie Hyundai Motor, Samsung Electronics und LG Electronics getroffen, um in der Stadt Daegu Trends im Rahmen selbstfahrender Fahrzeuge zu analysieren.

In diesem Zug wurde Daegu auch als spezielle Förderzone für diesen Sektor ("Regulation Free Zone") bestimmt. In der Praxis soll dies unter anderem bedeuten, dass die büro-

kratischen Hürden für Testläufe autonomer Fahrzeuge in der Region abgebaut werden.

Hyundai strebt Kooperationen mit internationalen Unternehmen an

Der fünftgrößte Kfz-Hersteller der Welt, Hyundai Motor Group, streckt seine Fühler derweil in Richtung internationaler Kooperationen im Smart-Car-Segment aus. Gemeinsam mit global führenden IT- und Netzwerkunternehmen will Hyundai die Entwicklung von "Connected Cars" vorantreiben und gleichzeitig die eigenen Forschungs- und Entwicklungsaktivitäten in diesem Bereich intensivieren. Presseangaben zufolge seien in diesem Zusammenhang jedoch keine Übernahmen geplant, sondern der Fokus liege vielmehr auf Kooperationen.

Ende April 2016 gab Hyundai in der lokalen Presse die Zusammenarbeit mit dem US-Technologiegiganten Cisco bekannt. Dabei sollen künftig gemeinsame Netzwerklösungen für die Kontrolle von Getriebe und Datenaustausch

entwickelt werden. Dieser Bereich gilt als Kerntechnologie für intelligente Fahrzeuge, da er die Bearbeitung umfangreicher Datenmengen in Echtzeit ermöglicht.

Mittels der internationalen Zusammenarbeit möchte Hyundai nach Einschätzung von Branchenexperten seine Expertise bei Fahrerassistenzsystemen (Advanced Driver Assistance Systems) erweitern und zu den Marktführern des Sektors aufschließen. Die genauen Details der Kooperation sind nach Angaben von Hyundai in den lokalen Medien aber noch nicht festgezurr worden.

Erste Lizenz für selbstfahrendes Fahrzeug vergeben

Hyundai betreibt bereits heute zwei Forschungszentren für selbstfahrende Fahrzeuge in den Städten Uiwang und Hwaseong in der Provinz Gyeonggi-do. Anfang März 2016 vergab das koreanische Transportministerium seine erste Lizenz für ein selbstfahrendes Fahrzeug – ein Modell der Marke Hyundai Genesis Premium. Bisher hatte der korea-



nische Hersteller seine Fahrzeuge mehrfach in abgeschirmter Umgebung ohne weitere Verkehrsteilnehmer getestet. Nun können die Probeläufe auch unter realistischen Bedingungen in bestimmten Abschnitten auf öffentlichen Straßen durchgeführt werden.

Allerdings gilt die Lizenz nur für Forschungszwecke und ist zeitlich begrenzt. Dennoch sehen Branchenexperten dies als wichtigen Schritt für das Unternehmen, das sich zu einem Marktführer im sich abzeichnenden weltweiten Wettbewerb bei autonomen Fahrzeugen aufschwingen möchte. Hyundai hat sich zum Ziel gesetzt, bis 2020 teilweise selbstfahrende Fahrzeuge auf den Markt zu bringen, die Kommerzialisierung vollständig autonomer Kfz ist bis 2030 vorgesehen.

Anpassung der Infrastruktur hat begonnen

Darüber hinaus werden in Korea erste Schritte unternommen, um die Verkehrsinfrastruktur an die neuen Erfordernisse anzupassen.

So wird die geplante Autobahn von Seoul in die Verwaltungshauptstadt Sejong als sogenannter "Smart Highway" konzipiert. Am Streckenrand sollen Hightechausrüstungen für verschiedene Zwecke wie zum Beispiel "Cooperative Intelligent Transport Systems" installiert werden.

Mittels der Instrumente und Messgeräte sollen Informationen über Verkehrslage, Unfälle und Staus übermittelt und die Voraussetzungen für einen Einsatz selbstfahrender Fahrzeuge geschaffen werden. Die koreanische Regierung hatte im November 2015 den Neubau der 129 km langen und sechs Spuren umfassenden Strecke bekannt gegeben. Die Investitionskosten werden auf 6,7 Bill. Won geschätzt. Der Bau der Straße soll bis 2020 abgeschlossen werden.

Neuer Wachstumsmotor für den Kfz-Sektor

Die koreanische Kfz-Branche ist auf der Suche nach neuen Wachstumsmotoren.

Neben Elektro- und Hybridfahrzeugen könnten selbstfahrende Autos dabei eine wesentliche Rolle spielen. Der Inlandsabsatz von Kfz hatte 2015 zwar stark um mehr als 10% angezogen. Diese Entwicklung war nach Einschätzung von Experten jedoch zu großen Teilen auf eine Sonderkonjunktur bedingt durch Erleichterungen bei der Verbrauchssteuer auf Kfz-Käufe bedingt. Für 2016 wird jedoch ein leichter Rückgang des Absatzes von Fahrzeugen in Korea prognostiziert.

Darüber hinaus hatten die lokalen Hersteller in den vergangenen Jahren mit Marktanteilsverlusten auf dem heimischen Markt zugunsten der boomenden Importfahrzeuge zu kämpfen. Die Exporte hatten bereits 2015 um 2,8% nachgelassen, wertmäßig belief sich das Minus sogar auf 6,4%. Auch im 1. Quartal 2016 gingen die Branchenausfuhren um mehr als 12% im Vergleich mit dem Vorjahreszeitraum deutlich zurück.

Koreanische Kosmetikbranche zeigt ihr schönstes Gesicht

Pop-Kultur sorgt mit für den Exporterfolg / Verpackungsmaschinen profitierten 2015 vom Boom bei Kosmetika

Alexander Hirschle

Korea has a high purchasing power with one of the highest wages in Asia. More than half of the population lives in densely populated metropolitan cities like Seoul and Busan. Together, they make up a consumer group which spends a lot of money on education and cuisine. However, the slowdown of global and domestic economy as well as demographic changes is taking its toll on the consumer climate.

Während sich die koreanische Wirtschaft derzeit nur schleppend entwickelt, glänzt die Kosmetikbranche seit Jahren mit zweistelligen Wachstumsraten. Die Nachfrage nach Kosmetika "Made in Korea" ist vor allem im Ausland ungebrochen. Besonders beliebt sind Gesichtspflegemittel und Make-up. Auf der anderen Seite entwickeln sich die Branchenimporte nur mit moderaten

Zuwachsraten. Die deutschen Lieferungen von Kosmetika nach Korea legten 2015 allerdings zweistellig zu.

Die Produktion von Kosmetika in Korea erreichte 2015 dem Fachverband Korea Cosmetic Association zufolge mit 10,7 Bill. Won (circa 8,5 Mrd. Euro; 1 Euro = rund 1.257 Won; im Jahresdurchschnitt 2015) einen

neuen Rekordwert. Nach Angaben des Ministeriums Mfds (Ministry of Food and Drug Safety) entsprach dies einer Steigerung um fast 20% im Vergleich mit dem Vorjahr. Das durchschnittliche Produktionswachstum der koreanischen Kosmetikindustrie belief sich in den vergangenen fünf Jahren im Schnitt auf fast 14% pro Jahr.

Mengenmäßig entfällt der größte Teil der Produktion auf Gesichtspflegemittel, die 2015 für einen Anteil von 57,8% verantwortlich zeichneten. Die höchste Zuwachsrate mit 27,9% wiesen Seifen auf.

Eine sehr große Dynamik entwickelten zuletzt die "Cosmeceuticals", also Produkte, die eine medizinische oder pharmazeutische Wirkung entfalten sollen, wie etwa Mittel gegen Faltenbildung, gegen UV-Strahlung oder zur Hautaufhellung. Die Produktion von Erzeugnissen dieser Gruppe stieg allein 2015 um 36% und seit 2011 um fast 150% auf 3,9 Bill. Won.

Zwei Firmen dominieren die lokale Kosmetikbranche

Die beiden mit Abstand wichtigsten Hersteller von Kosmetika sind die Firmen Amore Pacific und LG Household & Health Care, die 2015 Anteile von 34,9% und 26,9% am gesamten Branchenoutput auf sich vereinigten. Die Zahl der Hersteller hat sich zwischen 2010 und 2015 von 591 auf 3.840 Firmen mehr als versechsfacht. Die Zahl der in Korea hergestellten Kosmetikprodukte stieg im gleichen Zeitraum von 60.164 auf 107.328. Die Zahl der auf Kosmetika spezialisierten Geschäfte hat sich seit 2012 von 829 auf 6.422 erhöht. Ein Ende des Trends ist noch nicht abzusehen.

Vor allem ältere Bevölkerungsschichten haben in den vergangenen Jahren ihre Käufe von Kosmetika erheblich ausgeweitet. Einer Untersuchung der Kreditkartenfirma KB Kookmin Card zufolge schossen die Ausgaben der koreanischen Frauen, die älter als 60 Jahre sind, zwischen 2011 und 2015 um 100,3% nach oben. Auch ihre männlichen Gegenüber gaben immerhin noch 78,3% mehr für Kosmetika aus als noch vor vier Jahren. Die zweithöchsten Zuwachsraten beim Kauf von Schönheitsprodukten erzielte die Altersgruppe unter 20 Jahren mit 56,1% bei den Konsumentinnen und 36,3% bei den Konsumenten.

Allerdings gingen ältere Koreaner deutlich seltener einkaufen, gaben aber dann pro Einkauf deutlich mehr aus und kauften eher hochwertige Produkte. Die jüngste Bevölkerungsschicht kauft hingegen häufiger ein, dann aber eher günstige Kosmetika oder Erzeugnisse im mittleren Preissegment.

Exporte von Kosmetika schießen in die Höhe

Die Branchenexporte stiegen 2015 um satte 43,8% an und erreichten fast 2,6 Mrd. US\$. Dies steht im starken Kontrast zu den koreanischen Gesamtausfuhren, die bereits 2015 zurückgingen und in den ersten Monaten 2016 ihre Talfahrt fortsetzten. In den vergangenen fünf Jahren stiegen die koreanischen Ausfuhren von Kosmetika im Durchschnitt um 34% pro Jahr. Seit 2010 haben sich die Branchenausfuhren mehr als vervierfacht. Im Jahr 2016 setzte sich die Erfolgsstory nahtlos fort: So erhöhten sich die Kosmetikexporte im 1. Quartal um 53%.

Hauptabnehmermarkt für koreanische

Kosmetika ist die VR China, in die alleine 1,1 Mrd. US\$ an koreanischen Kosmetika geliefert wurden – entsprechend 41,1% aller Branchenexporte. Im Vergleich zu 2014 haben sich die Exporte dorthin verdoppelt.

Koreanische Pop-Kultur als Katalysator für den Exporterfolg

Koreanische Kosmetika genießen vor allem in Asien einen außerordentlich guten Ruf. In Seoul empfängt man kaum einen Besucher aus dieser Region, der nicht einen umfangreichen Einkaufszettel für Cremes, Shampoos oder Make-up "Made in Korea" im

Koreanische Produktion von Kosmetika nach Segmenten im Jahr 2015

in Mrd. Won; Anteil und Veränderung in %

Segment	Produktion	Anteil	Veränd. 15/14
Insgesamt	10.733	100,0	19,6
Gesichtspflegemittel	6.202	57,8	21,8
Make-up	1.723	16,1	20,8
Haarpflegemittel	1.394	13,0	6,9
Seifen	824	7,7	27,9
Augen-Make-up	257	2,4	23,2
Rasierprodukte	147	1,4	19,5
Nagelpflegemittel	74	0,7	26,8
Babypflegemittel	57	0,5	4,0
Aromamittel	29	0,3	4,8
Haarfärbeerzeugnisse	17	0,2	-19,5

Quellen: Korea Cosmetic Association, Mfds (Ministry of Food and Drug Safety)



Reisegepäck hat. Beobachter machen diesen Erfolg auf den Auslandsmärkten auch an der zunehmenden Popularität koreanischer Kultur – der "Korean Wave" ("Hallyu") – vor allem in asiatischen Ländern fest.

Korea hat sich mittlerweile in Asien fest als ein kulturelles Zentrum etabliert und gilt in vielen Bereichen wie Outfit, Medien oder Musik als Benchmark in der Region. Koreanische Filme, Fernsehserien und deren Darsteller genießen enorme Wertschätzung im asiatischen Ausland und die koreanische Wirtschaft versucht, dies zur Ankurbelung des Tourismus und der Exporte verschiedener Sektoren wie etwa der sogenannten Kreativitätsindustrie zu nutzen.

Importe aus Deutschland stiegen 2015 zweistellig

Die Einfuhren von Kosmetika erhöhten sich 2015 nur moderat um 3,8% auf 1,1 Mrd. US\$. Nach Einschätzung von Branchenkennern haben Importerzeugnisse angesichts der zunehmenden Wettbewerbsfähigkeit lokaler Produkte einen schweren Stand auf dem koreanischen Markt. Auch im Jahresverlauf 2016 entfaltete sich keine größere Importdynamik. Bis März 2016 konnten die Brancheneinfuhren nur um 1,4% im Vergleich mit der Vorjahresperiode zulegen.

Der Löwenanteil der Brancheneinfuhren entfiel 2015 mit knapp 42% auf Hautpflegegemittel, gefolgt von Parfüms (10%), Shampoos (5%) und Make-up (4%). Hohe Zuwachsraten konnten die Importe von Deodorants (33%), Eaux de Toilettes (33%), Haarlacken (32%) und Lippenstiften (26%) verbuchen. Leicht rückläufig zeigten sich hingegen die Einfuhren von Hautpflegeprodukten und Make-up.

Im Jahr 2015 waren die USA und Frankreich mit Anteilen von jeweils knapp 30% die mit Abstand wichtigsten Lieferländer von Kosmetika. An sechster Position folgte Deutschland, wobei Produkte "Made in Germany" mit einem Plus von 16,0% die höchste Zuwachsrate unter den maßgeblichen Lieferländern verbuchen konnten. Die wichtigsten Importerzeugnisse aus Deutschland

waren dabei Hautpflegegemittel mit einem Anteil von 38%, gefolgt von Babypflegeprodukten (9%) und Shampoos (7%).

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Koreanische Exporte von Kosmetika im Jahr 2015 nach maßgeblichen Ländern

in Mio. US\$; Anteil und Veränderung in %

Land	Exporte	Anteil	Veränd. 15/14
Insgesamt	2.588	100,0	43,8
VR China	1.062	41,1	99,1
Hongkong, SVR	642	24,8	41,8
USA	189	7,3	51,5
Japan	122	4,7	-34,8
Taiwan	119	4,6	11,4

Quelle: Korea Pharmaceutical Traders Association

Koreanische Importe von Kosmetika im Jahr 2015 nach maßgeblichen Ländern

in Mio. US\$; Anteil und Veränderung in %

Land	Importe	Anteil	Veränd. 15/14
Insgesamt	1.088	100,0	3,8
.USA	316	29,0	-2,0
.Frankreich	308	28,3	3,1
.Japan	128	11,8	5,8
.Italien	51	4,6	-4,2
.Vereinigtes Königreich	44	4,1	-9,5
.Deutschland	36	3,3	16,0

Quelle: Korea Pharmaceutical Traders Association



nern haben Importerzeugnisse angesichts der zunehmenden Wettbewerbsfähigkeit lokaler Produkte einen schweren Stand auf dem koreanischen Markt. Auch im Jahresverlauf 2016 entfaltete sich keine größere Importdynamik. Bis März 2016 konnten die Brancheneinfuhren nur um 1,4% im Vergleich mit der Vorjahresperiode zulegen.

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Anteil von 38%, gefolgt von Babypflegeprodukten (9%) und Shampoos (7%).

Auch die koreanischen Importe von Verpackungsmaschinen zogen 2015 nach Angaben des Fachverbandes Koami (Korea Association of Machinery Industry) im Sog des Booms bei Kosmetika an und legten um fast 12% zu. Deutschland konnte dabei als wichtigster Lieferant mit einem Importanteil von mehr als einem Drittel besonders profitieren: Die Einfuhren von Verpackungsmaschinen "Made in Germany" stiegen 2015 deutlich um 27,7% auf 124,7 Mio. US\$.

The Korean Special Act on Imported Food Safety Control

The Special Act on Imported Food Safety Control enforces to advance register a foreign food facility

Cho Young Joo

Prior to the establishment of the Special Act on Imported Food Safety Control (hereafter the "Special Act"), the safety control of imported food was regulated by the Korean Government through various provisions of individual legislations, including the Food Sanitation Act, Livestock Products Sanitary Control Act, and the Health Functional Foods Act. In accordance with such regulation system in Korea, issues have continuously arisen with regard to the inability to systematically control the safety of imported food.

Further, the level of anxiety concerning the safety of imported food has dramatically increased among the Korean public because more than half of the food consumed by Koreans are imported due to the substantial increase of importation of foreign foods.

In consideration of the above, requests were

made for the overall improvement of the regulation system regarding food safety control. In response, the Special Act was enacted which enforces to advance register a foreign food facility. The Special Act has been effective as of February 4, 2016.

In consideration of the fact that numerous foreign companies export foods to Korea, special attention shall be placed on the matters set forth below in relation to the details of the new regulation introduced in connection to the Special Act.

In order to review whether the matter shall be subject to the regulation of the Special Act, the first and principal matter that needs to be determined is whether it is in fact an imported food. The term "imported food, etc." has been defined in Article 2(1) of the Special Act, where the term refers to foods, food additives, apparatuses, and containers and packages as defined under Article 2 of the Food Sanitation Act imported into the

Republic of Korea from abroad, functional health foods under Article 3 of the Health Functional Foods Act and livestock products under Article 2 of the Livestock Products Sanitary Control Act. Therefore, any company with vested interest in the matter should conduct a careful and thorough review on whether the relevant imported food is included in the definition of imported food as defined pursuant to the Special Act.

In addition, special attention should be placed on the fact that advance registration system of foreign food facility has been newly established as set forth in Article 5(1) of the Special Act. Hence, a person who intends to import food, etc. into Korea or a person who establishes and operates a foreign food facility shall register information such as the name, location of, and items manufactured by the foreign food facility with the Minister of Food and Drug Safety by no later than seven days before he/she files an import declaration. In this case, the

matter which deserves attention centers around the fact that since this registration system has been newly established, there are no registered facilities in existence yet and therefore, 'all' foreign food facilities must undergo the registration process. For instance, a foreign food facility cannot be deemed to have completed the registration process by simply filling out information on the import declaration. Further, in case there are any foreign food facilities which have failed to complete the advance registration process, such facilities must register at this time. This is because any import declaration for facilities which have not completed the registration process may be denied pursuant to Article 20 of the Special Act, which is in compliance with the provision set forth in Article 5(5) of the Special Act. In addition, the period of validity of the registration shall be two years in accordance with Article 6 of the Special Act and therefore, it shall be noted that any re-registration must be conducted within 90 days prior to the termination date.

Moreover, Article 6(1) of the Special Act states that the Minister of Food and Drug Safety may conduct an on-site inspection of a foreign food facility for cases where he/she deems that an on-site inspection is necessary to prevent hazards in imported food, etc. or he/she deems that it is necessary to confirm facts about safety information on imported food, etc. collected at home and abroad. As previously mentioned, for a case in which hazard is likely to occur in imported food, etc. as a result of the on-site inspection, the Minister of Food and Drug Safety has the authority to take measures to suspend the importation of imported food, etc. of the applicable foreign food facility as prescribed under Article 6(2) of the Special Act. Thus, compliance with the provisions of the Special Act is of utmost importance.

On the other hand, a thorough investigation needs to be conducted on imported food which has either been found to be inappropriate or is likely to be deemed hazardous (refer to Article 31 of the Enforcement Rule of the Special Act) and to disclose the result of the inspection conducted on any impor-

ted food which has been found to be inadequate (refer to Article 33 of the Enforcement Rule of the Special Act), in order to strengthen safety control concerning the steps in customs clearance and to promote such system in order to enhance the safety of such imported food, etc.

In relation to the Special Act, questions and concerns regarding the practical matters which occur on a frequent basis are as follows:

- For agricultural products or if there are different facilities each responsible for the production, manufacture, process, treatment, packaging, and storage of any product which facility should be registered as a foreign food facility?
- ➔ The foreign food facility which needs to be registered in accordance to Article 5 of the Special Act refers to a facility located abroad (including a ship where fishery products are produced or processed) where imported food, etc. (excluding livestock products) is produced, manufactured, processed, treated, packaged, stored, etc.; therefore, for agricultural products, foreign food

facility refers to a facility where final packaging and processing of agricultural products are conducted in preparation for export.

- Whether registration of foreign food facility is necessary in cases where raw materials of products may be interpreted as not having been manufactured abroad, and as a result, a dispute has been raised on whether registration of foreign food facility is necessary in such cases.
- ➔ In relation to the foregoing, the position of the Ministry of Food and Drug Safety has adopted the position that foreign food facility must also be registered for the manufacture of raw materials of products.
- Whether the head office or each of the different manufacturing facilities needs to be registered in cases where there is one head office but multiple manufacturing facilities.
- ➔ Although special consideration shall be given to the fact that each of the manufacturing facilities must be registered, for such cases, the company name and address of the facility



responsible for the actual processing of products.

In consideration of the foregoing, numerous issues are anticipated to arise related to the practical implementation. Therefore, companies must pay close attention and make

sure that the provisions of the Special Act are being complied with in order to prevent any hindrances due to a violation of the Special Act. It appears that other regulations related to the Special Act will continue to be strengthened and it appears highly unlikely that the Ministry of Food and Drug Safety

will have lax interpretation or enforcement of the provisions within the Special Act.



Cho Young Joo

Attorney at Law, Lee&Ko
General Corporate, M&A

News and People



■ End of July 2016, **Mr. Weert Börner** has taken office as **Deputy Head of Mission and Head of Economic Department** at the **German Embassy in Korea**. He was born in 1963 in Bonn, North Rhine-Westphalia. He studied law and geography and completed his first and second legal state exams in 1990 resp.

1994, specializing in international environmental law. He joined the **Federal Foreign Office** in 1995 and followed assignments at the German Embassies in South Africa (1998-2001) and India (2004-2007). He also served for many years in the Management Department and the Department for Economic Affairs and Sustainable Development of the Federal Foreign Office in Berlin. He is married to Imke Börner and has two children, born 1996 and 1998.

■ **Mr. Michael Spatz** (58) was appointed **President of Korea Illies Engineering (KIECO)**, effective on July 1st, 2016. He is succeeding Mr. Steffen Trabert, who relocated to Shanghai to take on new responsibilities within the managing board of the Business Unit Textiles of the ILLIES Group.

Mr. Spatz joined ILLIES almost 30 years ago and has worked for the company in variety of different functions, including positions in Taipei, Tokyo and Hamburg. Prior to his new assignment in Korea he was President of ILLIES, Japan and Vice President Business Development, Marketing & Communication of the ILLIES Group.



■ **Ms. Heidi Jihyun Kim**, took up the role of new **Centre Director** at **Vantago Serviced Office**, a high-end business centre managed by British real estate firm Savills. She has been taking several key management positions in multinational hotel chains and general manager in business centres prior to joining Vantago.

■ **Mr. Eric Eder** has been appointed as the **Managing Director of Montblanc Korea** from May 1, 2016. He is the successor of Sylvain Costof, who takes over his new function as President Montblanc North America.

Mr. Eder has been working successfully in several leading managing positions in the luxury goods industry mostly in France, Korea and Japan. He holds a Master's degree in Business Law with a specialization in Industrial Property Law from the Law University Strasbourg III and International Marketing and Management Degree from ESC Reims (Reims Business School).



■ **Dr. Rolf Krahnert** (42) was appointed as **CFO of Bayer Korea**, effective July 1st 2016. Mr. Krahnert has been working for Bayer in several positions in the Finance area in the headquarter before he came to Korea. In the last 3.5 years he worked for **Bayer HealthCare Korea** as Central Administration Head, also

leading commercial support functions which are now integrated into the CFO function as additional responsibilities. Mr. Krahnert holds a PhD in economics and received his degrees as Dipl.-Kaufmann and Dipl.-Finanzwirt from the University of Goettingen and FH Rinteln. He is married and has two sons.



■ **Ms. Sujin Lee** has joined the KGCCI team to cover the **Intersolar & ees exhibitions, Energy Sector** and **Market Entry Support**. She started working at KGCCI as a Junior Economist and has experienced and supported various events and foreign delegations. Ms. Lee is fluent in German, English and Korean and is looking forward to work with both, German and Korean companies.

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New Members

Corporate Member

Bitzer Korea Co., Ltd.

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iba Korea System Co., Ltd.

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HPF Minerals Ltd.

Mr. Massimo Bottini
Director
massimo_bottini@bluewin.ch
Trading



Upcoming

Korea

 **August 30**

KGCCI Half-Year Economic Outlook

In cooperation with Daegu Metropolitan City
5.00 pm – 9.00 pm
Ritz Carlton Hotel

 **September 7**

AKM – SME Round Table

5.00 pm – 6.30 pm
KGCCI Meeting Room 7th Floor

 **September 30**

KGCCI Innovation Awards & 35th Anniversary Gala

5.30 pm – 6.30 pm Cocktail Reception
6.30 pm Gala Dinner with Awards & Anniversary Ceremony and Entertainment
Floating Islands (Sebitseom), Main Convention Center (2 Fl.)

Registration: www.kgcci.com/events | Contact: Ms. Sun-Hi Kim | shkim@kgcci.com

Save-the-Date

September 8
FKCCI & KGCCI: Cafe du Commerce
Novotel Ambassador Seoul Gangnam

**15TH ASIA-PACIFIC CONFERENCE
OF GERMAN BUSINESS**

3-5 November 2016, Hong Kong Convention and Exhibition Centre
November 3-5
**5th Asian Pacific Conference of German
Business (APK)**
Hong Kong
Sign up now via:
www.asiapacificconference.com



Events in Germany

28. September
Business Breakfast Korea
IHK Bonn/Rhein-Sieg

29. September
NRW-Außenwirtschaftstag
IHK Ostwestfalen zu Bielefeld

30. September
Industrie 4.0 Korea, Israel, USA
IHK Mönchengladbach

26. Oktober
Global Connect
IHK Region Stuttgart

21. November
Inhouse-Beratung Korea
IHK Pforzheim

22. November
Beratungstag Korea
IHK Mannheim

23. November
Korea Sprechtag
IHK Ulm

24. November
Exporttag Bayern
IHK für München und Oberbayern

Für Veranstaltungen in Deutschland erfolgt die Registrierung über die jeweilige IHK

Contacts

Wirtschaftstag Korea, Opening of Korea Desk and Korean-German Anniversary Reception



The IHK Frankfurt and KGCCI now established a Korea Desk, which will help German companies with the challenges and details of doing business in Korea. The agreement was signed by Mr. Stefan Messer, Vice President of IHK Frankfurt and CEO of Messer Group GmbH and Mr. Stefan Halusa, President of KGCCI during the Wirtschaftstag Korea. In the evening KGCCI held a reception in Frankfurt to celebrate its 35th Anniversary with members and partners.



Korean Executive Forum



On July 4, KGCCI held its Korean Executive Forum at the Conrad Hotel under the leadership of its new KEF Chairman, Dr. Hae-dong Kim, President of B. Braun Korea Co., Ltd. After Mr. Rolf Mafael's last welcoming address at KGCCI as German Ambassador to Korea, Mr. Kim Jong Seok, former President of the Yeoido Institute and member of parliament, gave his keynote speech about the future economic development in Korea and the role of deregulation. He emphasized his ideas by for example addressing current obstacles in labor laws and the necessity to deregulate them in order to keep private businesses in Korea globally competitive.

1st Korea-German Logistics Conference



BVL in cooperation with KGCCI organized the 1st Korea-German Logistics Conference in June. The aim of the conference was to promote the exchange and development of the logistics industry of both countries. Industry experts, professors and students had the opportunity to discuss current subjects such as "Green and Sustainability in Logistics" and "Industry 4.0 in the Logistics Industry". We expect that this event will provide a platform to further develop ties and businesses between the logistics industry of Korea and Germany in the future.

40-Year Anniversary of Deutsche Schule Seoul International



From left to right: Konrad Menne (Headmaster of German School Seoul International), Florian Schuffner, Stefan Halusa (President of KGCCI), Moritz Winkler (German School Seoul International's Chairman of the Board of Directors)

On June 30th students, parents, teachers as well as other distinguished guests of German School Seoul International celebrated the school's 40-year anniversary in Hannam-Dong.

At this occasion the Chairman of the Board of Directors, Mr. Moritz Winkler, took the opportunity to thank KGCCI and Mr. Florian Schuffner for their joint donation to the German School in the amount of 50 Mio. KRW. Mr. Schuffner was KGCCI's first Secretary General from 1981 until 2004.

Guide to Regulatory Information Service for Foreign Investors



The Korean Trade and Promotion Agency (KOTRA) encourages foreign invested companies in Korea to make use of the "Regulatory Information Portal". This portal offers information on new legislative initiatives and regulations and invites foreign companies to submit their concerns when necessary. The objective is to improve predictability in business activities and to promote a more stable investment environment by encouraging foreign investors to be actively engaged in lawmaking processes. You can access the portal by typing the address www.e.better.go.kr. If you have any questions regarding the portal, please write an email to: dufma@pmo.go.kr

EuroTier 2016 Preview in Seoul



The German Agricultural Society (DLG – Deutsche Landwirtschafts-Gesellschaft) is the exhibition organizer of EuroTier – the world's leading trade fair for animal production – and organized a preview session in cooperation with KGCCI DEinternational, the official travel partner for Korea, in July 26th at the Ritz-Carlton Seoul. More than 40 guests from companies, associations and related medias were welcomed in the preview and could be informed about the EuroTier 2016.

AKM and Sundowner



At the second AKM (Workshop for Small and Medium Sized Enterprises) in 2016, members discussed various tax changes which will affect their business. Among others, the new car regulations regarding 'Expense Statement on Company car for business purpose' and the Presidential Decree with regards to the Kim Young Ran Law (anti-graft law) were discussed. At the subsequent sundowner, more than 100 KGCCI members met on the KGCCI veranda for a relaxed after-work gathering. Special thanks go to Mr. Thurmann from Flam's Korea who sponsored the event with delicious German "Flammkuchen".

Skatturnier



Mr. Fritz Emrich from Qingdao, China won the KGCCI Spring Skat tournament and took over the trophy from multiple time Skatkönig Mr. Rene Wittenberg, LBBW-Seoul Branch. KGCCI congratulates Mr. Emrich on his victory!

Buddhismus in Korea

Julia Krumbiegel

Since 2002, the number of domestic and foreign visitors using the „templestay“ programs in Korean Buddhist temples have increased steadily. Between 2004 and 2015, the number of visitors from around the world have almost increased by 10 times to an astonishing 330.000. The „templestay“ program is an important financial income source for temples but brings also difficulties such as infrastructure and language problems.

Der Buddhismus ist die viertgrößte Religion der Welt und wird vor allem in Süd-, Südost- und Ostasien praktiziert. Es ist kein Wunder, dass auch in Korea die größte Glaubensgruppe dem Buddhismus angehört ist. Der Grundgedanke des Glaubens ist: „Die eigenverantwortliche Selbstbefreiung von negativen Emotionen“. Die Gläubigen streben danach, sich von dem permanenten Leiden an negativen Emotionen zu befreien und den natürlichen inneren Frieden zu erlangen.

Seit 2002 kann man in Korea einen Einblick in den Buddhismus bekommen. In diesem Jahr wurde das „Templestay“ Programm erstmals in vielen Tempeln landesweit angeboten. Seitdem sind die Besucherzahlen stark angestiegen, da viele Touristen, die sich für den Buddhismus interessieren, jedes Jahr das „Templestay“ Programm nutzen, obwohl die Zahl der Tempel von 2002 mit 133 Tempeln auf 122 Tempel in 2011 und weiter auf 113 Tempel in Dezember 2014 gefallen ist.

Von ca. 37.000 Besuchern im Jahre 2004 vervielfachte sich die Anzahl fast bis zum Jahr 2010 mit ca. 173.000 Besuchern. Zwischen 2010 und 2015 stieg die Besucherzahl sogar

auf ca. 330.000.

Trotz des Ausbruchs des MERS Virus stieg die Zahl der Besucher von 2014 auf 2015 um 13,5%. Vor allem Amerikaner, Chinesen, Vietnamesen, Japaner und Franzosen nutzen den „Templestay“ vermehrt.

Auch die Einnahmen sind beachtlich, so wurden im Jahr 2010 64,1 Mrd. WON (ca. 51,6 Mio. €) eingenommen und im Jahr 2015 sogar 117,9 Mrd. WON (ca. 94,9 Mio. €). Ein Großteil der Einnahmen wird für die Instandhaltung der Tempel, die Restauration von Kulturgütern und -anlagen und für Wohltätige Zwecke genutzt. Aber auch zum Teil für den Ausbau der Tempel um die Kapazitäten des „Templestays“ auszuweiten. Das Programm findet so guten Anklang, dass in vielen Tempeln weitere Häuser als Schlafmöglichkeiten gebaut werden, damit mehr Leute an den Programmen teilnehmen können.

Jedoch darf nicht jeder Tempel in Korea das „Templestay“ Programm anbieten, da es ein Gesetz zum Schutz der Tempel gibt. In Korea werden Zweidrittel aller Kulturgüter in Tempeln und nicht in Museen aufbewahrt. Viele

dieser Kulturgüter sind zu wertvoll, als dass sie den täglich wechselnden Touristen ausgesetzt werden könnten.

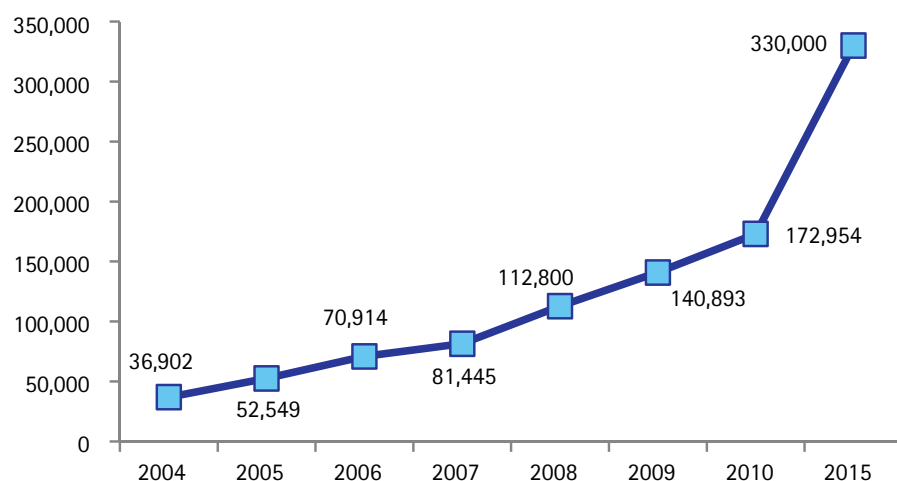
Leider bringt das Touristenprogramm auch einige Probleme mit sich. Durch die immer größer werdende Touristenmenge wächst auch die Belastung für die Mönche in den Tempeln, die sich eher als Dienstleister für Touristen agieren müssen und weniger ihren eigentlichen Tätigkeiten nachgehen können. Auch die Anzahl der ausländischen Besucher stellt eine Belastung dar, da nicht alle Mönche Englisch sprechen können und dadurch weitere Angestellte benötigt werden, die die Übersetzungsarbeit übernehmen.

Es ist auch schwierig eine Kontinuität der Programme in den verschiedenen Tempeln zu garantieren, da alle 4 Jahre ein neuer „oberster Mönch“ gewählt wird und jeder neue Ideen mitbringt, wie das „Templestay“ Programm gestaltet werden sollte.

Trotz dieser Probleme sind die Mönche bereit das Programm weiterzuführen, zu verbessern und auszubauen, da es so großen Anklang findet.

Die Motivation vieler Menschen einen „Templestay“ zu machen, ist nicht immer der Glaube an sich sondern auch um sich zu sammeln, zu reflektieren und sich zu erholen. Falls man dies einmal ausprobieren möchte kann man dies mit einem halbtägigen Aufenthalt, einer Übernachtung oder sogar einem längeren Aufenthalt tun. Für weitere Informationen besuchen Sie: ["eng.templestay.com"](http://eng.templestay.com)

Ich kann dies nur empfehlen, es war eine wunderbare Erfahrung für mich!



Julia Krumbiegel

Junior Economist at KGCCI

Media Data

KORUM, the bimonthly magazine of KGCCI publishes articles on Korea's economy, markets, companies, technologies as well as on tax, legal or intercultural issues. The journal also contains information on the activities of KGCCI and its member companies.

KORUM target group consists of KGCCI members in Korea and abroad, decision makers of companies doing business with Korea, business associations and relevant public sector institutions.

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