Invest!
Jeollabuk-do guarantees the success of Carbon Industry
'Jeollabuk-do'

The center of Northeast Asia.
It is the gateway of the world.

It is the best place for global logistics supply base.

- Signed FTA with many countries including Korea-EU, Korea-US, Korea-China FTA
- Hub of Korea's carbon composite industry
It provides the best investment environment in Korea which is the most business friendly.

The center of Northeast Asia ‘Jeonbuk’ ... It is the gateway of the world.
- 1.5 billion people (22.5% of the world population) industrial economic hub of Northeast Asia
  Close to Japan, China, Russia, etc.
  Shortest distance of 580km from China, the largest market in the world

Formation of large consumption market
- Flying distance: Within 2 hours Population: more than 1 million
  City: 60 cities
  (60 minutes in Beijing, 90 minutes in Tokyo and Shanghai)
  Within a radius of 1,200 km, population: 700 million residents (more than US + EU population)
  Handling: 34% of world trade volume

The infrastructures of the land, sea and air are well established.
- It can be moved within 2~3 hours to any part of the country

- **Highway**
  - 4 routes in South and North, 4 routes in East and West

- **Five routes including KTX**
  - 1 hour railway network in metropolitan area

- **Jeonbuk Main Port** to China Export Promotion Base
  - Gunsan Port
    - 30 berths of 50,000 tons, 25 million tons per year
  - Saemangeum New Port
    - A total of 18 berths (4 berths by ’20, 14 berths since ’21)
    - Completed construction of 3.1km breakwater (’16)

- **Airport**
  - Kunsan Airport, Gwangju Airport (1 hour)
  - Incheon International Airport (3 hours), Cheongju Airport (1.5 hours)

※ Saemangeum International Airport: The 5th airport mid-term comprehensive plan notification (May,’16), air traffic demand survey (Dec.’16.~Dec. ‘17)
The carbon industry is the largest new growth engine of Jeollabuk-do.

2017. As of October, 123 carbon-related companies are operating in Jeollabuk-do.
- 2,050 employees (average 17 employees), annual sales of W500bn
- Hyosung (carbon fiber), Vinatech (super capacitor), deck carbon (brake disc), Deck Air (aircraft parts), ILJIN composite material (carbon fiber CNG container)

- Support infrastructure: 12 carbon industry support organizations
  - KCTECH, Korea Institute of Science and Technology (KIST) Composite Materials Technology Research Institute, Los Alamos – Chonbuk National University Engineering Research Institute, Carbon Fusion Industry Research Institute, Jeonbuk Research and Development Special Zone Support Division, AMRC KOREA
  - R & D, Technical support equipment: 312 kinds (KCTECH 171, KIST branch 141)

- Improvement of legal system

- Building a global network
  - Signed MOU with 27 organizations in 11 countries (MAI carbon cluster, CFK Valley, JEC group, etc.), joint research and development

- Promoting major policy projects
  - Establishment of a global carbon-based infrastructure (network, infrastructure, etc.), annual 18 billion won
  - Activation of carbon material market and enterprise integration (demand creation, marketing, etc.), annual 4.5 billion won
  - Supporting research and development centered on commercialization of carbon industry (materials, applied products, etc.), annual 52 billion won

A national industrial complex specializing in the carbon material industry will be created.

- Location / Area: Chonbuk Jeonju City (near Hyosung Factory), 638,000㎡
- Project Cost: KRW 168 billion
- Attracting industries: 11 industries including carbon composite materials, automobile parts, machinery equipment
※ As of Oct. 2017, MOU with 134 companies was signed.
Designated as R & D Zone for the first time in the province.

- 'Specialized development of carbon and agricultural life' centering on designated Jeonbuk R & D Special Zone (Jeonju-Jeongeup-Wanju, 16,281㎢)
  - Established 39 research institutes and 4 high-tech companies

It is possible to acquire excellent industrial manpower customized to the enterprise.

- Supplied 30,000 professional workers annually
- 36 technical personnel training in science and engineering college / vocational high school
  - 20 universities related to science and engineering related universities,
    25,000 students, 16 vocational high schools, 3,000 students
- Industrial, Academic, Public coupling business : annual 3.8 billion won 1,100 (26 courses in 11 universities)
  - Fostering customized high-tech manpower necessary for industrial field by linking companies and universities
- Small and Medium Human resource business(Operate job placement center for job search)

Global companies are with Jeollabuk-do.

- Automotive & Machinery : Hyundai Motor, GM Korea, Tata Daewoo, Doosan Infracore, Dongyang Products, LS Mtron, etc.
- Renewable Energy Sector : OCI, Solar Park Korea, Human Composite, etc.
- New material field : Toray, Hyosung, Samyang Inochem, KCC, OCI, ILJIN Materials, etc.
- Food industry : Pulmuone Danone, Shangha, Harim, etc.
Ten good Reasons to Invest in Jeollabuk-do

- **Optimal transportation infrastructure**
  - Well-equipped transportation infrastructure allows you to travel anywhere in the country within 3 hours

- **Accessibility to Asian markets**
  - Approximately 60 cities in 1 million cities within 2 hours by plane

- **To cultivate professional human resources**
  - Cultivate technical and functional personnel in 36 universities and specialized high schools
  - Supporting human resource development for companies

- **Cheap and wide industrial land**

<table>
<thead>
<tr>
<th>Province</th>
<th>Land Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gyeong-gi</td>
<td>92~285</td>
</tr>
<tr>
<td>Gangwon</td>
<td>22~98</td>
</tr>
<tr>
<td>Chungnam</td>
<td>23~99</td>
</tr>
<tr>
<td>Chungbuk</td>
<td>28~66</td>
</tr>
<tr>
<td>Gyeongnam</td>
<td>55~148</td>
</tr>
<tr>
<td>Gyeongbuk</td>
<td>20~84</td>
</tr>
<tr>
<td>Jeonnam</td>
<td>27~81</td>
</tr>
<tr>
<td>Jeonbuk</td>
<td>8~50</td>
</tr>
</tbody>
</table>

- **Extreme incentives of comparative advantage**
  - Supports up to 20 billion won within 10% of investment amount (province + city)

- **Rich quality industrial water**
  - Yongdam Dam, Okjeong Lake, Daeya Dam, Geum River 2nd water supply, etc.

- **Stable labor-management culture**
  - Appointed as an excellent labor-management cooperation organization (Ministry of Employment and Labor, 2012)
  - Labor disputes rarely occur nationwide (2013)

- **Natural disaster safety zone**
  - Over the past decade, natural disasters such as earthquakes and floods have been among the smallest in the nation

- **Skilled workers and relatively cheap labor wages**

<table>
<thead>
<tr>
<th>City</th>
<th>Monthly Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seoul</td>
<td>336</td>
</tr>
<tr>
<td>Incheon</td>
<td>284</td>
</tr>
<tr>
<td>Gyeong-gi</td>
<td>297</td>
</tr>
<tr>
<td>Chungnam</td>
<td>307</td>
</tr>
<tr>
<td>Jeonnam</td>
<td>294</td>
</tr>
<tr>
<td>Daejeon</td>
<td>299</td>
</tr>
<tr>
<td>Gyeongnam</td>
<td>289</td>
</tr>
<tr>
<td>Ulsan</td>
<td>312</td>
</tr>
<tr>
<td>Jeonbuk</td>
<td>262</td>
</tr>
</tbody>
</table>

- **Korea’s largest industrial complex Saemangeum**
  - OCI
  - Toray
  - Solvay Silica
  - OCISE
We support the nation’s top incentives.

**Support conditions**
- Preceded MOU between company and Jeollabuk-do
- More than 20 regular employees after investment in a company registered as a foreign-invested enterprise
- Total investment amount is over 1 billion won

**Subsidy support contents**

1. **Investment subsidy**: Large-scale investment <over 100 billion won or more than 300 employees>
   - Jeonbuk Province: maximum 10 billion won
   - City: maximum 10 billion won
   ※ Investment Less Than 100 Billion: 5 billion won for Jeonbuk Province, 5 billion won for city

2. **Employment subsidy**: More than 20 new hires per person
   - Jeonbuk Province: 1 million won / month, within 6 months ⇒ Maximum 1 billion won
   - City: 500,000 won per month, within 6 months ⇒ Maximum 200 million won

3. **Education and training subsidy**: More than 20 new employees
   - Jeonbuk Province: 500,000 won / month, within 6 months ⇒ Maximum 500 million won
   - City: 500,000 won per month, within 6 months ⇒ Maximum 200 million won

4. **Infrastructure installation cost (wastewater)**: 30% of investment ⇒ Maximum 3 billion won <in the case of large-scale investment>

**Tax exemption** (foreign investment area)
- Corporate tax, income tax: 7 years exemption (5 years 100%, 2 years 50%)
- Local tax (acquisition tax, property tax): 100% exemption for 15 years
- Customs duties: 5 years exemption

**Procedure**

1. **Signed MOU** → **Tenancy agreement conclusion** → **Factory construction & registration** → **Grant application**
## Land Use Plan Under the Saemangeum Project

![Map of Saemangeum Project](image)

<table>
<thead>
<tr>
<th>Category</th>
<th>Area (ha)</th>
<th>Ratio (%)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>291</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Industry &amp; Research Area</td>
<td>41.7</td>
<td>14</td>
<td>Landfor major industries, new growth engine industries and related research facilities</td>
</tr>
<tr>
<td>International Cooperation Area</td>
<td>52</td>
<td>18</td>
<td>Multi-purpose land for industry, logistics, technical innovation and international city functions</td>
</tr>
<tr>
<td>Tourism &amp; Leisure Area</td>
<td>36.8</td>
<td>13</td>
<td>Multi-purpose land for marine sports and recreation, experience-based tourism, etc.</td>
</tr>
<tr>
<td>Agro-bio Area</td>
<td>94.3</td>
<td>32</td>
<td>Landfor creating the foundation for an eco-friendly farming industry and high-tech agricultural facilities</td>
</tr>
<tr>
<td>Eco Environment Area</td>
<td>42</td>
<td>15</td>
<td>Habitat for birds and ecological wetlands</td>
</tr>
<tr>
<td>Residential(Urban) Area</td>
<td>24.2</td>
<td>8</td>
<td>High-tech and high-class city on the waterfront</td>
</tr>
</tbody>
</table>
Overview of Saemangeum Industrial Complex

Legend
- Business (General business)
- Business (international business)
- Houses
- Greenery
- Parks
- Townhouses
- Apartments
- Square
- Industrial facilities
- Renewable energy
- R & D facilities
- Residential complexes
- Distribution facilities
- Support facilities
- Central commercial

Land categorization by purpose of use

<table>
<thead>
<tr>
<th>Category</th>
<th>Total (Unit: 1,000 m²)</th>
<th>Industrial facilities</th>
<th>Supporting facilities</th>
<th>Public facilities</th>
<th>Commercial and business facilities</th>
<th>Housing</th>
<th>Green Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td>18,495</td>
<td>9,956</td>
<td>392</td>
<td>3,093</td>
<td>704</td>
<td>594</td>
<td>3,756</td>
</tr>
<tr>
<td>Ratio</td>
<td>100</td>
<td>54</td>
<td>2</td>
<td>17</td>
<td>4</td>
<td>3</td>
<td>20</td>
</tr>
</tbody>
</table>

Areas supplied for the allowed businesses

<table>
<thead>
<tr>
<th>Category</th>
<th>Total (Unit: 1,000 m²)</th>
<th>Automotive parts and components</th>
<th>General machinery and parts</th>
<th>Shipbuilding materials and equipment</th>
<th>High-value-added food products</th>
<th>New materials &amp; nano convergence</th>
<th>RET (nuclear fusion)</th>
<th>New and renewable energy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td>8,607</td>
<td>2,698</td>
<td>788</td>
<td>491</td>
<td>907</td>
<td>1,791</td>
<td>713</td>
<td>1,219</td>
</tr>
<tr>
<td>Ratio</td>
<td>100</td>
<td>31</td>
<td>9</td>
<td>6</td>
<td>11</td>
<td>21</td>
<td>8</td>
<td>14</td>
</tr>
</tbody>
</table>

Allowed Businesses

- Parts & components: Automotive parts and components, general machinery and parts, and shipbuilding materials and equipment
- High-tech convergence: New materials, nano convergence, and nuclear fusion
- High-value-added food products
- New and renewable energy
- ICT convergence, convergence of the primary, secondary and tertiary industries, and cultural, tourism and medical convergence industry

Restricted Businesses

- Dyes, pigments, leather, dyes, asbestos, slaughtering, cement product and asphalt concrete manufacturing businesses, businesses that discharge designated hazardous substances, cause large amounts of pollution, consume large amounts of water, etc.
Presidential pledge project related to Saemangeum

Quickly into Presidential Commitment we will promote Saemangeum project!

- Established a department dedicated to the Blue House Saemangeum project
- Promotion of public landfill
- Saemangeum International Airport Construction
- Composition of the Saemangeum New Port, etc

2023 Saemangeum World Jamboree

With 186 million residents we have attracted the 2023 Saemangeum World Jamboree!

- Period and place: 2023. During the month of August (12 days), a site of Saemangeum (Tourism & Leisure)
- Participation scale: More than 50,000 people from 169 countries
- Total expenses: 49.1 billion won
- Key events: camping, water activities
- Sponsorship: World Scout Federation, Ministry of Gender Equality
Success Partners with Carbon Industry

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