**Policies and Incentives**

**Improve High Added-Value Tourism**

To improve the international competitiveness of Korea's tourism industry, the Ministry of Culture, Sports and Tourism is focusing its efforts to nurture high added-value tourism businesses in Korea.

The ministry has strived to provide greater support, and improve various institutional conditions to develop the strategic convergence industries of cruise tourism, MICE (meetings, incentives, conferences and exhibitions) tourism, and medical tourism.

**Improve Local Tourism**

In 2015, the ministry completed the selection of 10 themes for the industry, including historical sites (cultural relics of Baekje and Silla era, and fortress walls), culture of Joseon-era scholars (memorial halls for Confucian services and old houses), traditional lifestyles (Korean medicine, traditional houses, clothes, and pottery), and stories (folktales and characters).

The ministry plans to actively develop tourism programs using the 10 themes with various support such as for aggressive marketing and commercialization.

**Related Acts**

Following acts provide the legal grounds for developing and promoting the Korea's tourism industry.

- Framework Act on Tourism
- The Tourism Promotion Act
- The Tourism Promotion and Development Fund Act
- The International Conference Industry Promotion Act
- The Special Act for the Expansion of Tourist Accommodation Facilities
- The Korea National Tourism Organization Act

**Success Case**

**Legoland Korea**

When complete, Legoland Korea will boast a theme park, themed streets and other commercial facilities, as well as various subsidiary facilities operated by domestic and foreign specialized companies.

Legoland Korea will span Geunhwa-dong and the small river islands of Sangjungdo and Hajungdo. Main facilities will be concentrated on Hajungdo island.

In addition to the Legoland theme park, a variety of resort and commercial facilities will be built, including a hotel, condominium, spa village themed village, outlet mall, water park, eco village, marine village and history park.
No. of Tourists Visiting Korea
In 2015, some 13.23 million foreign tourists visited Korea, more than twice the number in 2005 (6 million).

The number of foreign tourists to Korea is expected to reach 18.3 million in 2017, up 7.7% YoY.

Korea Ranks 23rd in Number of Foreign Tourists

Several sites surrounded by a stunning natural environment including mountains, rivers, or coastal shores have been designated as tourism belts by the government. Resorts, tourist hotels and facilities for leisure activities are formed alongside the belts.

Tourism Belts

- Major tourism belts: Eastern, Western and Southern Coast Tourism Belts; Peace Life Zone North-South Tourism Exchange Belt (along the northern border), Riverside Eco-Culture Tourism Belt, and Baekdudaegan Ecological Culture Tourism Belt.

Korea is Drawing High Levels of Revenue from Tourism

With more foreign tourists visiting Korea, for its growing shopping industry, the total tourism revenue increased threefold from USD 570 million in 2005 to USD 15.1 billion in 2015.

Following the MERS outbreak in May the number of foreign tourists declined by 53.5% in 2015, a stark contrast from the annual average growth rate of 10.7% from January to May. Fortunately, the growth rate turned around in August, minimizing the damage on the industry.

Purpose of Visiting Korea

When asked why they chose Korea as their travel destination, most foreign tourists said "shopping" (67.80%), followed by "natural attractions" (44.8%), and "local foods and gourmet cuisines" (42.8%).

Prospect for the Industry

The number of foreign tourists to Korea in 2016 increased by about 7.7% from the previous year, and is expected to reach about 18.3 million in 2017 thanks to the increasing demand for tourism in the world.

Tourism Revenue by Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>5,793</td>
</tr>
<tr>
<td>2010</td>
<td>10,291</td>
</tr>
<tr>
<td>2015</td>
<td>15,177</td>
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</tbody>
</table>

Source: Tourism Knowledge & Information System

Marinas

Korea currently has six marinas (Gimpo Terminal, Jeju, Wansan, Mokpo, Chuamgu, Aventureum), and plans to open 58 new marinas by 2019. To prepare for the increase in national income in the future driving up the demand for marinas, the Korean government established the Revised First Marina Port Basic Plan in 2015, and has since been working on its implementation.

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