

New ground

AMBASSADOR INSIGHT

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With its huge consumer market, business friendly environment and world-class industries, Korea is an important partner in Ireland's growth strategy.

In particular, the landmark Korea-EU free trade agreement (FTA), entered into force in 2011, has created a unique fertile ground for trade and investment.

During the Korea-Ireland Joint Economic Commission held on 4 December 2014, both sides found wide business potential in ICT, life sciences, education and financial services to name just a few.

Recent years have seen new ground broken in many areas. In 2014, Korea-Ireland trade reached a five-year record high. High level bilateral interaction also continued to strengthen with Minister for Jobs, Enterprise and Innovation Richard Bruton making the first Irish trade mission to Korea.

Propelled by the Korea-Ireland memorandum of understanding on Education signed in 2013, co-operation and exchanges in the education sector are growing by leaps and bounds.

More than 2,400 Korean students visit Ireland annually to study and at least 18 institutions are collaborating on cutting-edge research. The ongoing outreach efforts by the likes of the Irish Institute of Korean Studies in University College Cork and countless others will surely broaden and deepen these links.

Organisations such as the Korea Foundation and the Academy

of Korean Studies from Korea are working closely with Irish partners to that end.

In addition, Korea is an important destination for Irish exports of medical and pharmaceutical products and internationally traded services such as aviation and financial services. Korea has also emerged as the fastest growing market for Irish seafood.

Given the shared emphasis on openness, innovation and business-friendly environments, there is still further potential to be tapped. We welcome Irish businesses to use Korea as a gateway to Asia. Likewise, we invite Korean businesses to use Ireland as a hub for European operations. It is evident the two countries are formidable partners for global business.

Automobile, ICT, display, semiconductor and shipping are just some of the industries where Korea has established a global presence.

With the launch of the Creative Economy initiative by President Park Geun-hye in 2013, Korea is looking to forge partnerships with innovative businesses around the world.

In that aspect, Ireland's comparative advantage in ICT, life sciences, financial and business services creates a strong platform for further business opportunities for both countries.

In addition to Hyundai, Samsung, LG, POSCO and other Korean conglomerates that occupy the headlines around the world, there are a number of small and medium-sized companies, accounting for 88pc of the employment in Korea, with key technology or niche know-how that can be invaluable partners for Irish businesses.

ECONOMIC OVERVIEW

Home to global companies such as Samsung and Hyundai, Korea is the 13th largest economy in the world and ranks eighth worldwide in trading volume.

A resilient economy, Korea has weathered the global recession and its GDP is estimated to have grown by 3.3pc in 2014. Its current growth strategy comprises expansionary fiscal policy and timely structural reforms, which have been viewed favourably by the IMF and OECD.

Korea also launched the Creative Economy initiative in 2013, strengthening innovation and research and development (R&D). In 2014, it ranked first among OECD countries in terms of R&D intensity and first in the world in the Bloomberg innovation ranking.

Buttressing the innovation is a business friendly environment which ranked fifth in the world, according to the World Bank's Ease of Doing Business Index.

The only Asian country to have established free trade agreements (FTAs) with both the EU and the US, Korea has an ever expanding FTA network, which in 2014 added China to the fold. In particular, the Korea-EU FTA took effect in 2011, offering greater mutual access for businesses on both sides.

For Irish businesses, this access leads to the Korean consumer market, comprising 50 million strong population and one of the highest purchasing powers in Asia.

Moreover, Korea represents a gateway to the greater Asian market, with its strategic geographic location and savvy consumers known as trendsetters in the region.



NATIONAL FLAG

Called Taegeukgi, the Korean flag has its roots in traditional Korean philosophy on the origin of the universe. In the centre, blue and red half-

circles, symbolising the cosmic forces of 'yin' and 'yang' respectively, are joined together to form a whole circle, a reference to the principle that the universe evolves from the fluid interaction and harmony between two contrasting forces. The four trigrams surrounding the circle embody the four universal elements: heaven, earth, fire and water.

- NATIONAL DAY: 3 October
- DIPLOMATIC RELATIONS ESTABLISHED BETWEEN KOREA AND IRELAND: 4 October 1983

Key facts...

- **National population:** 50 million
- **Top five cities**
 - Seoul: 10.4 million
 - Busan: 3.6 million
 - Incheon: 2.8 million
 - Daegu: 2.5 million
 - Daejeon: 1.5 million
- **Area:** 100,460 sq km
- **Currency:** won
- **Timezone:** GMT + 9 hours
- **Religions** Buddhism (24pc); Protestantism (23pc); Catholicism (8pc); other (0.8pc); no religion 44.2pc
- **Language:** Korean
- **Bilateral trade with Ireland in 2014:**
 - Korean exports to Ireland: US\$463m
 - Irish exports to Korea: US\$833m
 - Irish exports to Korea: US\$935m
 - Total volume of trade: US\$1.4bn
- **Gross domestic product (GDP) in 2014:**
 - GDP (PPP): US\$1.7898tr (13th largest in the world)
 - GDP per person: US\$28,739
- **Real GDP growth** (Bank of Korea): 3.7pc (2011), 2.3pc (2012), 3pc (2013), 3.3pc (2014), 3.8pc (2015)
- **GDP sector breakdown:** agriculture 2.7pc, industry: 39.8pc, services 57.5pc
- **R&D intensity:** first among OECD countries
- **Trading volume:** US\$1.988tr (eighth largest in the world, 2014)

Science of life

Dianne Rhee, director Korea at Enterprise Ireland, shares her insights into areas of most potential for Irish companies in the world's 13th largest market

LIFE SCIENCES is a high potential sector and construction engineering services is a relatively new, but rapidly growing, sector for Irish exporters in Korea, according to Dianne Rhee, director Korea at Enterprise Ireland.

"Key export sectors for Irish companies have traditionally been food and drink followed by financial services, software, aviation services and agri-tech engineering," she explained

"Life sciences recorded 100pc growth in 2011 for Irish companies even though it contracted slightly in 2012. Market trends still show growth potential for the future, with sub-sectors such as pharmaceutical services, medical devices and diagnostics as well as animal nutrition and veterinary pharmaceuticals being of particular interest."

Rhee also highlighted education as an area offering significant untapped potential for Ireland in Korea: "The total number of Koreans studying abroad [over 20 years of age] was 239,210 spending a total of US\$3.4bn in 2012, with 57pc going to English speaking countries. The number of Korean students going to Ireland was 611 in 2012 and market share is just 0.26pc, compared to 5.25pc in the UK."

Total Irish exports to Korea amounted to €590m in 2013 and there are

200 Irish companies selling into the market, according to an Enterprise Ireland report published in 2014 entitled 'Access South Korea'.

Over the next five years, the South Korean economy is set to make the 10th-largest contribution to world growth – that's as much as the UK and more than France or Italy, the Enterprise Ireland report notes.

The country has a population of 50 million and is highly urbanised, with over 50pc living in the Greater Seoul metropolitan area, and has one of the world's highest rates of internet and mobile telephony use.

With an office in Seoul since 2004, Enterprise Ireland recently expanded its presence in the Korean market, according to Rhee.

"Export growth by Enterprise Ireland clients to Korea was estimated at 18pc in 2013 and growth in 2014 is expected to be at a similar rate - exports by client companies are targeted to grow to €70m by 2015 and to over €83m by 2016.

"There are 170 Enterprise Ireland clients exporting to Korea, most of which are starting out and operating through local partners and importer distributors. Fourteen of them have established a physical presence/ office on the ground."

DUBLIN'S PIXCELLDATA IN NEW PARTNERSHIP WITH SEONGKOHN TRADERS IN KOREA

IRISH SOFTWARE company Pixcelldata has entered into a new partnership with SeongKohn Traders, which is the top provider of automated instruments and consumables for cytology, histology and autopsy and forensic laboratories in Korea.

The deal signed in November 2014 will involve the company marketing Pixcelldata's Collibio software – an advanced web application for storing, managing, reviewing, and sharing digital pathology images and associated case data.

Collibio will be used to prepare proficiency tests and slide conferences for the Korean Society of Pathologists, the Korean Society for Cytopathologists and their sub-study groups and

regional meetings, as well as for veterinary and toxicology pathologists.

"As well as having a unique understanding of the needs of Korean pathology laboratories, SeongKohn Traders also has extensive experience and in-depth knowledge of digital pathology," said Alan Hanley, CEO of Pixcelldata.

"Their know-how and expertise, coupled with our innovative Collibio solution, is the perfect combination. We will work together to expand our presence in the Korean digital pathology market."

Founded in 2010 in Dublin, Pixcelldata is an innovator of software solutions for the digital pathology domain.

