



BRIDGING THE PACIFIC

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News From KOREA

APEC Investment Opportunities 2005

'Towards Co-Prosperity Through Partnerships'

Cross-border investment is a driving force for corporate profit and national development. The Asia-Pacific region is proving to have tremendous investment attraction and very bright prospects with investment inflows into the area recorded at US\$166 billion in 2004. These figures underscore the significance and implications of "APEC Investment Opportunities 2005," which will take place between November 14 and 18 in Busan.

Under the theme of "Towards Co-Prosperity Through Partnerships," the event, held as part of the APEC Economic Leaders' Meeting, will bring together representatives from 21 APEC economies, the CEOs of a wide range of multinationals, investment experts from international organizations, and 200 Korean entrepreneurs.

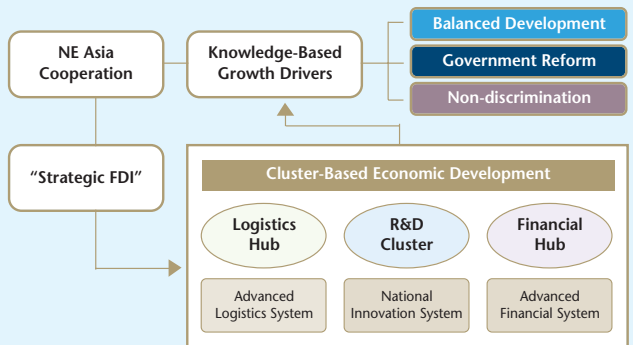
Participating economies will present their investment policies as well as introduce current and future investment projects. In previous years, the investment fairs have been oriented around exhibition booths to promote member economies' investment environments. However this year, the Busan forum will offer a broader look at the member economies' investment strategies and opportunities in an IR (investor relations) format.

Prominent guests are expected to attend the opening ceremony for the investment forum, including Donald Johnston (OECD Secretary-General), Robert A. Mundell (1999 Nobel Prize winner for economics), Meg Whitman (CEO of e-Bay), Paul E. Jacobs (CEO of Qualcomm), Bill Rhodes (CEO of Citibank), and David W. Anstice (President of the Asian headquarters of Merck). Also at the event, guest lectures will cover such topics as ways to facilitate investment liberalization in the global market.

The event is also expected to provide Korea with the momentum to strengthen its position as an attractive investment destination.

"Due in part to Korea's foreign investment policy, which promotes liberalization and an open-door economy, FDI is on the

FDI & Northeast Asia Hub Strategy



rise in Korea with total inward investment exceeding US\$100 billion last October. This level of commitment is evidence of the confidence foreign investors have in Korea's dynamic and open economy as well as in its vision for the future," said Minister of Commerce, Industry & Energy Hee-Beom Lee.

Among the goals at the top of the national agenda and closely related to foreign direct investment are the Northeast Asian hub program, development of next-generation industry growth engines, attainment of a US\$20,000 per capita gross national income era and membership of the G8 in terms of trade volume by 2010.

Korea's Northeast Asian hub strategy has internal and external components. Externally, it consists of obtaining regional cooperation in critical sectors and attracting foreign direct investment from multinational companies in strategic industries. Internally, the strategy is based on three pillars -- balanced national development across the entire peninsula, government and regulatory reform and a level playing field for all. The FDI inflows are being directed to achieve cluster-based economic development focused on creating R&D clusters, and logistics and financial hubs. The clusters, in turn, will be knowledge-based growth drivers for the entire economy.