

Republic of Korea

An overview of the economy and of the business environment



South Korea is a peninsula in Eastern Asia between the East China Sea and the Sea of Japan. The country has a mixed economic system including private freedom and centralized economic planning and government regulation.

South Korea ranks 10th among the world's largest economic powers and 4th in Asia. The country is renowned for its amazing rise from one of the poorest countries in the world to a developed, high-income country in just a few decades. Also during the global financial crisis of 2007-2008, the country maintained a stable economy and even experienced economic growth during the peak of the crisis.



However, the country was affected by the Covid pandemic economic slowdown in 2020. Effective health management and beneficial policies helped Korea emerge quickly from the pandemic. The recovery is set to continue, despite the Russia-Ukraine war global effects are having a negative impact on it.

Given its limited geographical size, insufficient natural resources and population size, the country has reserved special attention to technology development and innovation to promote growth, growing from a predominantly rural, agricultural nation into an urban, industrialized country. Now, industry represents 32.6% of the GDP and employs 25%. The main industries include textile, steel, car manufacturing, shipbuilding and electronics. South Korea is the world's largest producer of semiconductors.

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The agricultural sector in South Korea only makes a small contribution to the country's GDP (1.8%) and employs only 4.8% of the country workforce. Rice is the main agricultural crop; barley, wheat, corn, soybeans and sorghum are extensively cultivated. The sector also includes large-scale livestock farming. Less than one-fourth of the land is cultivated. South Korea's mineral resources are limited to gold and silver.

The service sector is the largest and fastest economic sector, accounting for 57.1% of GDP and employing 70.2% of the active population, mainly department stores, store chains and supermarkets. Tourism was one of the fast-growing sectors before the pandemic.



The export-oriented policies of South Korea are one of the most important factors of its economic success. The country is the world's seventh largest exporter of goods and the ninth largest importer (World Trade Organisation, 2021).

The country exports mainly Electrical and electronic equipment, machinery, nuclear reactors, boilers, vehicles other than railway, tramway, plastics, Mineral fuels, oils, distillation products and optical, photo, technical, medical apparatus.

Its main imports are Electrical and electronic equipment, Mineral fuels, oils, distillation products, machinery, nuclear reactors, boilers, optical, photo, technical, medical apparatus, vehicles other than railway, tramway and iron ores slag and ash.

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Since South Korea is so strongly integrated into international trade and finance, it is consequently highly vulnerable to external influences, especially from China, which is its main trade partner, followed by United States, Vietnam, Hong Kong and Japan. Its main suppliers are China, United States, Japan, Germany and Vietnam. South Korea has signed free-trade agreements with many countries representing more than 70% of the global economy.



SkyMinder ensure the most reliable business credit information available on companies based in South Korea thanks to the most trustworthy and competent local information providers. Team of high skilled local experts access all local official entities and other sources, collect all available data and analyze them by using trusted and sophisticated risk models.

SkyMinder Full Reports include the following information:

- Complete company identification details: correct company name, address(es), contact details such as phone, fax, email, webs, etc.
- Company registration details: our local providers try to access local registries and to get registration number, company id, fiscal code, and any information that can be retrieved at the local registry
- Directors and company structure: board of directors, shareholders and related companies
- Financials: most times financials are not filed at the local registries, however, our local providers thanks to their information network and to the interview to the company try to get the most detailed financial information on the requested company
- Credit rating and suggested credit limit
- Number of employees
- Activity details: sector and industry of the company
- Legal and negative information on the company
- Banks information

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Of course the availability of each single details depends on the company type and on other contingent factors, but SkyMinder always guarantees that all the information included in a report is the result of the best expertise and efforts and that the details included are the best available on the company at the time of the search.



In addition to the Full Report including all complete details on South Korean companies, on SkyMinder it is possible to order other type of reports allowing you to get an in-depth and exhaustive knowledge of your business partners:

- Slim Report: a short report including all crucial information to evaluate the credit situation of a company
- Verification Report focusing on the shareholding structure of a company.
- Compliance Check Report and Extended Check Report: Through SkyMinder you can access the Lexis Nexis Risk Solutions platform and check if a business partner is involved in financial crimes, bribery, corruption and money laundering actions.
- Patent Due Diligence Report: a report with an in-depth analysis of the patents owned by a company
- Cyber Risk Report: thanks to the test performed to a company website and related domains and emails, you can understand in advance if a partner or potential partner is vulnerable to a cyber-attack.
- Company profile and shareholder list from the Legal Entity Identifier official registry

SkyMinder offers also the fastest delivery times, by ensuring the most accurate and updated credit report in a few working days. The reports are complete, updated and easy to read.

Thanks to SkyMinder credit reports and the expertise of local providers, it is possible to establish safe and profitable business partnership with any South Korean company.

Sources: <https://www.trade.gov/>; <https://globaleedge.msu.edu/countries/south-korea>; <https://www.worldbank.org/> ; <https://www.oecd.org/>; <https://international.groupecreditagricole.com/>