

KOREA

A Guide
for Canadian Exporters

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A Guide for Canadian Exporters

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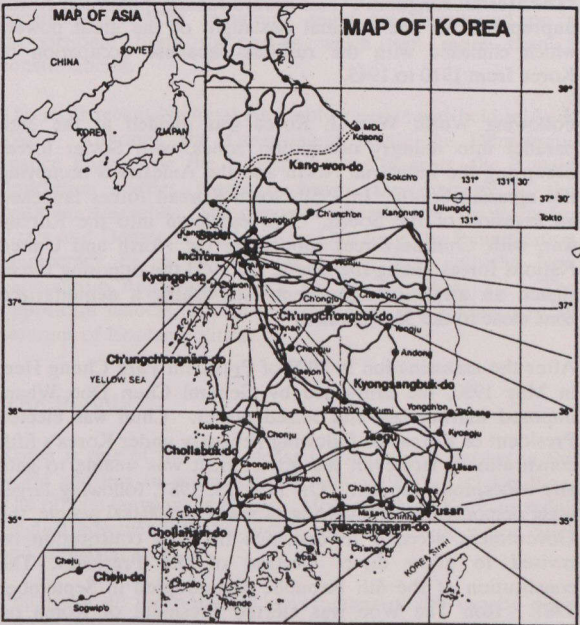
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I. THE COUNTRY

The Republic of Korea occupies 98,955 km² (38,206 square miles) on the southern half of the Korean peninsula. The land mass is approximately twice the size of Nova Scotia. The topography is extremely rugged and varied, ranging from steeply rising mountains on the east coast, to wide alluvial plains on the west coast. The country is drained by several river systems, the most important being the Han in the west and the Nakdong in the southeast. Approximately 70 percent of the land is mountainous.



History

Throughout its 5,000-year history Korea has been the victim of countless occupations and invasions by armies of Chinese and Japanese, Mongols and Manchus, and Soviets and Americans. Yet through adversity the Korean people have managed to maintain a distinct cultural and political identity.

The early tribal societies that occupied the Korean peninsula until the 7th century evolved in three conflicting kingdoms, the Koguryo, Paekche and Silla, each strongly influenced by Buddhism. After much warring, the Silla unified the Korean peninsula with the help of the Tang Chinese and ruled by absolute monarchy from their capital city of Kyongju for two centuries. Dissatisfied Silla aristocrats then established the Koryo dynasty which in 1392 was replaced by the Yi dynasty, which ruled for 500 years and adopted Confucianism as its official religion. Despite marked progress, this period was marked by internal conflict which led to a policy of isolation in the 18th and 19th centuries when Korea became known as "The Hermit Kingdom". This inward-looking policy left Korea unprepared for the colonial onslaught of the great powers which climaxed with the ruthless Japanese occupation of Korea from 1910 to 1945.

Following World War II, Korea was divided at the 38th parallel into military occupation zones, with Soviet forces occupying the industrial North and the Americans occupying the agrarian South. In 1950 North Korean forces launched an invasion of the South. This escalated into the Korean war, with Chinese forces supporting the North and United Nations forces aiding the South. In 1953 the opposing forces signed an armistice agreement establishing a demilitarized zone close to the 38th parallel.

After the assassination in 1979 of President Park Chung Hee, in May 1980, the army, led by General Chun Doo Whan, imposed martial law and seized power. Chun was elected President of Korea the following February under Korea's fifth constitution. However, his government was unable to gain any widespread support. On June 29, 1987, following large-scale demonstrations involving as many as 100,000 people, the Government acceded to demands that the constitution be revised to allow direct election of the President. The constitution of the 6th Republic was adopted in September 1987. Roh Tae Woo was elected President of Korea on December 4, 1987. In elections for the National Assembly, held on February 25, the 3 opposition parties together won a majority of the seats. The crowning achievement of Korea's modernization, the 24th Summer Olympics, was held from September 17 to October 2, 1988. Over 160 countries participated in the Games.

System of Government

Korea has had a constitutional Government since 1948. Under the constitution of the current Sixth Republic, the President is selected by direct election for a single 5 year term. The Presidency is vested with very strong powers. The President appoints a Prime Minister and the rest of the Cabinet. There is no requirement that the Cabinet be members of the National Assembly.

Legislative power rests with the National Assembly which is elected every four years. Two-thirds of the National Assembly representatives are elected from single member constituencies. The remaining seats are distributed on a proportional basis to parties which win more than 5 constituencies.

The most recent National Assembly election was held in April 1988. Although the Government party, the Democratic Justice Party, won the largest number of seats, the 3 main opposition parties together control the majority in the National Assembly. The opposition parties are: the Party for Peace and Democracy led by Kim Dae Jung; the Reunification Democracy Party led by Kim Young Sam and the New Democratic Republican Party led by Kim Jong Pil. The opposition leaders, known collectively as the 3 Kims, are all veterans of Korean politics.

The People

Korea is one of the most densely populated countries in the world and has an estimated population(1988) of 42.5 million. The official language is Korean. Most educated Koreans speak English however little English is spoken outside major cities and industrial areas.

Practically all business and government affairs can be dealt with in the capital, Seoul. Major cities include:

<u>City</u>	<u>Population(1985)</u>
Seoul	9,639,110
Pusan	3,514,798
Taegu	2,029,853
Incheon	1,386,911

All major cities are connected by modern highways and railways. The main seaports are Pusan(445 km southeast of Seoul) and Incheon(40 km west of Seoul).

The main Korean religious groups are Buddhists(11.5 million), Protestants(8 million), Confucianists(5.2 million), Catholics(1.5 million), and Chondo-Gyo, a native religious cult(1.5 million). Confucianism, a code of ethics and behaviour instilling moral discipline, is an ideology which finds many subscribers, including Korean people who may profess another faith.

General Information

Weight and Measures:

The metric system of weights and measures is used.

Local Time:

Korea is located in one time zone. It is 9 hours ahead of GMT, 14 hours ahead of EST and 17 hours ahead of PST.

Currency and Exchange Rates:

The unit of Korean currency is Won (indicated as Won). Coin denomination are Won 1, Won 5, Won 10, Won 100 and Won 500. Bank notes are Won 1,000, Won 5,000 and Won 10,000. Foreign bank notes and traveller's checks can be converted into Korean Won at foreign exchange banks and other authorized money changers. Receipts are required in order to convert back to foreign exchanges.

The exchange rate is controlled by the government. One Canadian dollar is equivalent to about Won 572 as of February 1989.

Major credit cards including VISA, American Express, Diners Club, Master Card and Carte Blanche are accepted.

Public Holidays:

National Holidays in the Republic of Korea

1989

New Year	January 1-3
Lunar New Year*	February 6
Independence Movement Day	March 1
Arbour Day	April 5
Children's Day	May 5
Buddha's Birthday*	May 12
Memorial Day	June 6
Constitution Day	July 17
Liberation Day	August 15
Chusok Celebration*	September 14-15
Armed Forces Day	October 1
Foundation Day	October 3
Hangul Alphabet Day	October 9
Christmas	December 25

* These three holidays are tied to the lunar calendar and vary from year to year.

II. THE ECONOMY AND FOREIGN TRADE

Overview

In 1962 the Republic of Korea embarked on a series of five-year economic development plans aimed at transforming a subsistence agricultural economy into an export-led industrial economy. The results to date have been impressive. Between 1962 and 1988 the Gross National Product (GNP) increased from US\$2.3 billion to US\$152 billion. Following a slowdown in the early eighties, the economy recovered dramatically, aided by declining oil prices, the lowering of international interest rates, and the depreciation of the U.S. dollar against the Japanese yen. Led by export oriented industries, the GNP between 1986 and 1988 showed an annual average growth rate in excess of 15%. From 1962 to 1988 per capita GNP rose from US\$87 to US\$3577.

The Korean economy is predicted to maintain its remarkable dynamism. The slowdown that many had expected would follow the Olympics has not occurred, and the economy remains buoyant. Per-capita GNP is expected to rise from the current US\$3728 to US\$4570 during 1989. In the same period exports are anticipated to rise 16.7% to US\$70 billion. 1989 should also see Korea become a net creditor, as overseas investments rise to US\$31.5 billion, against a planned foreign debt of US\$28.5 billion.

Rising incomes and an attendant rise in consumer expectations are having a direct effect on the economy. Consumer spending is rising at double digit percentage levels, led by consumer durables (Domestic car sales in the latter part of 1988 were averaging forty plus thousand units per month, with an estimated 60% of these to the Seoul area). The minimum wage is scheduled to rise 23% to W144,000 per month (US\$209) in 1989. Average monthly household income in 1988 was estimated at W670,000. As one direct result of rising incomes, many low wage industries are now foundering, and more vulnerable industries are showing signs of moving to lower cost areas.

Korea's interest in expanding trade ties in the region and

with Communist bloc countries (the quote Northern Policy unquote) has been fueled by a growing concern that Korea may be pushed out of its key markets -the U.S. and the EEC - in the very near future. Since the closing of the Olympics there have been increasing contacts by senior Korean business leaders with the PRC, the Soviet Union, and North Korea to discuss trade and investment projects. The Korea Overseas Trade Promotion Office (KOTRA), which is an arm of the Ministry of Industry and Trade, is reported to be opening offices in Hungary, Yugoslavia, the Chinese provinces of Shandong and Jaelin, and the Soviet Union. Korea has also taken active steps to regenerate its business in the Gulf, in particular with Iran and Iraq, which before the Gulf War were key markets for Korean construction companies and related industries.

Korea's interest in expanding trade with communist countries has included importing greater volumes of coal from the Soviet Union, China and other Asian countries.

A rise in the yen has had a positive impact on some industries, in particular petrochemicals and cement, as Japan is importing Korean product in increasing volumes.

Agriculture and Fisheries

Korea's primary goal in the agricultural and fisheries sectors is to attain food and meat self-sufficiency. Policy instruments in support of this goal include price support for rice and barley, price stabilization structures for meats, bone-in beef, pork, chicken, red pepper, garlic and onions; state trading systems for tobacco and rice; import licensing for most products, and a system of flexible tariffs.

In spite of this, Korea relies heavily on agricultural imports, particularly corn, wheat, soybeans, beef, cotton, raw hides and skins. Present levels include approximately 4.1 million MT(metric tons) of wheat (2.1 million MT for human, and 2.0 million MT for animal consumption), 4.5 million MT of corn (3.3 million MT for feed, and 1.2 million MT for industrial purposes), and 1.2 million MT of oilseeds per year. Korea imported 175,409 head of cattle and 140,000 MT of frozen beef from 1981 to 1984, but cattle imports with the exception of dairy bulls were prohibited early in 1984 to protect the domestic price structure. Beef imports were also banned from

1985, but have recently opened due to rising domestic demand and international pressure.

Rising per capita incomes, and a growing internationalization of consumer tastes is creating a demand for processed and high quality foods. Opportunities exist in the market for suppliers of frozen salmon, herring, tomato paste, prepared mustard, frozen potatoes, canned pork, and canned vegetables. There are also emerging specialty markets for chocolates, confectioneries, fresh and frozen lobster, and macaroni and spaghetti. But the processed cheese, jams and jellies are only allowed to import for the tourist hotel use. The market for wine and liquor is programmed to open in 1989, with the exception of scotch whiskeys, where a quota will be maintained.

Forest Industries

Effective January 1, 1989, tariffs on logs and lumber were lowered to 2% and 15% respectively and no difference on tariffs were given to softwood and hardwood. Consequently lower tariff rate on logs remain a significant factor which discourage imports of lumber.

Due to limited forest resources, Korea must import 88% of its requirements (7 million cubic meters in 1989) to meet total demand of 8.8 million cubic meters of forest products. Imports of logs in 1988 accounted for over 72 percent of forest imports to Korea. Softwood logs accounted for 49 percent of all logs imported in 1988. Canadian exports of logs to Korea totalled nearly 309 thousand cubic meters worth \$12.5 million in 1987 and exports of lumber in 1987 declined over 22 percent to 13 thousand cubic meters worth \$4.5 million. Hardwood veneer exports to Korea amounted \$1.8 million in 1987 during the first nine months in 1988. Korea has imported 660,926 tons of chemical pulp valued US\$410 million of which Canada exported 136,464 tons valued \$21 million. Canada supplied approximately 20 percent of total quantity. At present, Korea has only one domestic pulp mill, with a total annual production of 200,000 tons of BKP. There are expansion plans for an additional 100,000 tons capacity that will provide an opportunity for the export of wood chips. There is also evidence of strong interest in overseas investment in pulp facilities in order to guarantee supply.

Energy

Korea's total energy imports in 1987 amounted to US\$ 6.3 billion, compared with US\$ 5.5 billion in 1987. Total energy consumption in 1987 was 67.1 million t.o.e. (tons of oil equivalent), representing an increase of 9.9% from 1986.

Crude oil imports in 1987 were 216 million barrels, rising to 225 million barrels in 1988.

Since 1979, Korea has been Canada's second largest overseas coal market, after Japan. Coal exports to Korea in 1987 totaled 3.9 million tons, valued at \$207 million. This represented 15% of all Canadian coal exports, and consisted of 2.8 million tons of coking coal, and 1.1 million tons of thermal coal.

In 1988 Canada supplied 690 tons of U308, or about 57% of Korea's requirements for its reactor program. Canada is also seen as a potential supplier of light crude oil, anthracite and LNG.

Mining

With the exception of anthracite, limestone and some low-grade deposits of kaolin, zinc, talc, lead, copper and tungsten, Korea is virtually devoid of natural resources. This sector is not expected to play a large role in Korea's future development. Korea will continue to rely on imports of anthracite, bituminous and metallurgical coal, iron ore, zinc ore, copper concentrate, sulphur, potash and phosphate rock, asbestos, nickel, and aluminum.

At present, Canadian sulphur and potash remain, next to coal, our major raw material exports to Korea.

Manufacturing

The manufacturing sector has been the most important source of growth in the Korean economy during the past several years. The annual average growth rate of machinery, electrical machinery and transportation equipment has exceeded twenty five percent during the 1983-87 period, with automobiles leading this growth. In 1988 manufacturing contributed 30.8 percent of the GNP and employed 22.9

percent of the work force. Because of Korea's lack of natural resources, economic development in the past placed emphasis on the development of heavy industry and labour-intensive manufacturing industries. Facing increased competition from less developed countries and rising wages, Korea is now emphasizing the development of technology-intensive industry, such as aerospace. Key industries in the manufacturing sector include textiles, footwear, steel, machinery, automobiles, shipbuilding and electronics.

Textiles and Footwear

In the past, the textiles and footwear industry played a key role in the Korean economy. Its prominence is now decreasing due to competition from less developed countries with lower labour costs. The government is currently promoting the modernization of these industries in order to increase productivity and competitiveness.

Steel

Korea is a net exporter of steel and in 1988 was the eighth biggest steel producer in the world, and sixth largest steel producer in the western world. There are thirteen steel making companies in Korea, with the main producer of steel being the state-owned POSCO with mills located at Pohang and Kwangyang Bay. Korea's current annual iron production capacity of 11.7 million tons is being expanded with the construction of a third blast furnace at Kwangyang, which will add 2.8 million tons to total capacity by 1990. Korean steel production capacity in 1987 was 18.3 million tons.

Despite being a net exporter, some imbalances in domestic production have resulted in shortfalls, in particular for rolled steel, that may result in the application of export restrictions and increased imports during 1989. In 1988 total demand was 23.7 million tons, consisting of 16.3 million tons in domestic demand and 7.4 million tons for export. Supply consisted of 19.3 million tons of domestic production and 4.4 million tons imported product.

Machinery

The Korean government has played an active role in promoting the machinery industry in Korea. In 1988 the exports of this industry were 7.5 percent of total exports and this contribution is expected to increase in the future. To further enhance the production of high-technology machinery and equipment, Korea is actively promoting the transfer of foreign technology and expertise.

Automotives

The Korean government has designated the automotive industry as a strategic export industry. The main Korean firms active in the production of automobiles are Hyundai, Daewoo and Kia motors. Annual production in 1987 was 793,125 passenger cars, 128,183 trucks and special cars and 58,431 buses.

Hyundai's Ulsan plant capacity now exceeds more than 540,000 passenger car units per year. The company exported 314,468 units in 1987, which made it the fourth largest vehicle exporter to the U.S. market. Hyundai's Bromont plant is expected to start production during 1989 of the Sonata model for the North American market. This is providing opportunities for Canadian parts suppliers in the development of Canadian content.

Along with the expansion of Korea's automobile sector, Korea's auto parts industry has enjoyed rapid growth. Part localization rates for major vehicle manufacturers are now in the neighborhood of 93 percent for small cars and 80 percent for buses and trucks. However, the industry remains heavily dependent on foreign technology for its more sophisticated parts and components.

Shipbuilding

With 13 percent of world capacity, Korea is the second-largest shipbuilding country with 23.5 percent of the world gross tonnage. In response to competition from other countries and reduced orders, Korea is moving into the market for technologically more advanced vessels and has diversified into the production of offshore structures such as

oil rigs and platforms.

Electronics

The Korean electronics industry has been targeted for major growth by the government through investment, R and D, and technology transfers. Companies involved in the electronics sector are moving towards the production of higher technology products such as telecommunications, fibre optics, computer equipment and semiconductors.

Defence

Korea offers a significant and growing market for defence and related products. The annual defence budget exceeds \$4 billion(U.S.), and represents about 35 percent of total government spending. The Korean reliance on U. S. equipment creates opportunities for Canadian suppliers, since many Canadian defence products are manufactured at a comparable level of technology and built to the same specifications and standards.

Guidelines issued in April 1985 by the Korean Ministry of National defense indicated that offsets will apply on a case-by-case basis to all Republic of Korea purchases of more than \$1 million(U.S.). N.B.: Korean Ministry of Defense authorities are sensitive to disclosure of negotiations or contracts for defence and related products.

All military sales must be made through a registered military sales agent. Fees and commissions vary, and the Embassy may be consulted on bona fides and performance of particular agents.

Foreign Trade

One of the most significant factors contributing to Korea's economic growth is the rapid expansion of exports. In 1988, Korea exported \$59.6 billion, and imported \$48.1 billion(U.S.). Major exports include machinery, transportation equipment and manufactured goods, whereas major imports include energy commodities, machinery and raw materials. Korea's major trading partners in 1988 were the United States and

Japan, which together account for 52 percent of total exports and 47 percent of total imports.

Korea is currently in the process of opening its markets to more foreign goods through a gradual liberalization of imports. The tariff structure for imported goods is being revised and import restrictions on 95 percent of import items are being removed. However, relatively high import tariffs are expected on liberalized products.

Canada-Korea Trade

Canada has a recurring pattern of trade deficits with Korea, the exception being in 1980 when one-time shipments relating to the sale of a CANDU reactor pushed Canada into a small surplus position. Canada has registered deficits every year since. The deficit in 1987 was approximately \$677 million.

Korea is Canada's second-largest trading partner in the Pacific Rim. In 1987 exports to Korea totaled \$1,167 million, a 20.6 percent increase over the 1986 level. Raw and fabricated materials account for 80 percent of Canadian exports to Korea. Coal, at \$214 million, is the single largest export item in 1987, accounting for 18.3 percent of Canadian exports to Korea. Other major export items are potash(\$48 M), copper(\$31 M), telecommunications equipment(\$27 M), wood pulp(\$118 M), wheat(\$153 M), aluminum(\$80 M) and sulphur (\$56 M).

Korean exports to Canada grew by 5.4 percent in 1987 to \$1.84 billion. The largest export to Canada was footwear (\$126 M), which represented 6.7 percent of Korean exports to Canada. Other items exported to Canada include consumer electronic goods, automobiles, apparels, and textiles.

The composition of Canada's exports to Korea compares favorably with our non-U.S. worldwide exports, with inedible fabricated materials and end products representing 40 percent of our exports. Korean exports to Canada have a substantially higher fabricated and manufactured component with 98 percent of goods entering Canada being fabricated or fully manufactured.

**KEY INDICATORS OF
THE KOREAN ECONOMY
(IN U.S. DOLLARS)**

	<u>1986</u>	<u>1987</u>	<u>1988**</u>
GNP(billion)	95.2	118.5	152
Per Capita GNP(\$)	2,300	2,826	3,577
Labour Force (millions)	16.1	16.8	17.4
Unemployment Rate	3.8	3.1	3.1
Total Population (million)	41.5	42.1	42.6
Inflation (% change in the Wholesale Price Index[WPI])	-1.5	0.5	3.0
External Debt(billion)	44.5	35.6	31.0
Annual Debt Service Ratio*	22.7	31.3	17.6
Money Supply(billion)	39.3	50.8	69.0
Gold and FX Reserves (Official)(billion)	3.35	3.6	12.0

* Annual debt service/exports of goods and services

** Estimate

Source: Various government publications

**REPUBLIC OF KOREA EXPORTS
AND IMPORTS**
(IN MILLIONS OF U.S. DOLLARS)

EXPORTS

	<u>1985</u>	<u>1986</u>	<u>1987</u>
United States	10,754	13,880	18,310
Japan	4,543	5,425	8,436
Hong Kong	1,565	1,691	2,204
West Germany	979	1,241	2,002
United Kingdom	913	1,034	1,525
Canada	1,228	1,247	1,450
Saudi Arabia	968	854	1,031
Australia	368	534	619
Others	<u>8,965</u>	<u>8,808</u>	<u>11,703</u>
TOTAL	30,283	34,714	47,280

IMPORTS

	<u>1985</u>	<u>1986</u>	<u>1987</u>
Japan	7,560	10,869	13,656
United States	6,489	6,544	8,758
West Germany	978	1,215	1,798
Australia	1,116	1,079	1,279
Malaysia	777	1,005	1,234
Canada	630	709	947
Indonesia	668	428	825
United Kingdom	565	454	721
Others	<u>12,353</u>	<u>9,281</u>	<u>11,802</u>
TOTAL	31,136	31,584	41,020

Source: Bank of Korea

**KOREAN IMPORTS BY
MAJOR COMMODITY GROUP
(IN MILLIONS OF U.S. DOLLARS)**

	<u>1985</u>	<u>1986</u>	<u>1987</u>
Food and live animals for food	1,398	1,422	1,622
Beverages and tobacco	50	44	32
Crude materials inedible, except fuels	3,857	4,291	5,897
Mineral fuels, lubricants and related materials	7,363	5,052	6,022
Animal and vegetable oils, fats and waxes	146	124	139
Chemicals	2,789	3,495	4,595
Manufactured goods classified by material	3,555	4,567	6,255
Machinery and transport equipment	10,648	10,795	13,911
Miscellaneous manufactured articles	1,233	1,668	2,140
Commodities and transactions not classified elsewhere	97	126	407
TOTAL	31,136	31,584	41,020

Source: Bank of Korea

**MAJOR CANADIAN EXPORTS
TO KOREA**
(IN MILLIONS OF CANADIAN DOLLARS,
FREE ON BOARD(FOB))

	<u>1985</u>	<u>1986</u>	<u>1987</u>
Coal	252	228	214
Copper	8	23	31
Potassium chloride	42	34	48
Sulphur	88	78	56
Telecommunications and related equipment	42	30	27
Pulp	50	73	118
Raw hides and skins	16	34	55
Alcohols and their derivatives	92	59	89
Rape seed meal and screening	-	8	9
Tallow	-	3	2
Card punch sort tab computers and parts	-	6	5
Wheat	10	80	153
Aluminum	12	46	80
Motor vehicle parts	9	17	17
Sub Total	<u>621</u>	<u>719</u>	<u>904</u>
TOTAL EXPORTS	<u>780</u>	<u>968</u>	<u>1,167</u>
% Change, year to year	9.5	24.1	20.6

Source: Statistics Canada

III. MARKETING INFORMATION

Foreign Trade Regulations

All imports and exports are regulated by the Foreign Trade Act and require approval of the Minister of Trade and Industry (MTI) with respect to goods concerned, form of transaction, method of payment, etc. as prescribed by the Presidential Decree. Under the Act, the MTI promulgates public notices including Export & Import Notice and Consolidated Public Notice, whereby classification of Automatic Approval (AA) items and Restricted Approval items, restrictive measures, approval procedures and other outlines are notified. The restricted items are set forth in the form of a "negative list". Amendments to the notices can be publicly notified from time to time depending on change of situation and government policy. The Korean government policy has been aimed at liberalizing imports on a gradual basis, with a goal of 95 percent liberalization by 1988, i.e., import licenses will be granted automatically for 95 percent of all product categories.

Import Procedures

Import procedures differ according to the item to be imported and the terms of payment. In the case of importing goods by commercial letters of credit, the following procedures are required. :

1) Approval to Import:

The importer must apply for and obtain an Import License (I/L) from an authorized foreign exchange bank. The procedure for obtaining an Import License is classified into two categories as follows:

- a) In the case of Automatic Approval Items: Most imports belong to this category. The importer is simply required to fill out the application for an Import License and submit it together with a contract or firm offer sheet to a foreign exchange bank, after which, it

will be licensed without any specific formality.

- b) In the case of Import-Restricted Items: Usually, for the import of import-restricted items, the importer is requested to obtain recommendation from the relevant ministry or an endorsement of the specialized association for the import, and then apply for the Import License to a foreign exchange bank as he would in the case of automatic approval items. (in contrast to the AA items, import-restricted items are goods included on the negative list, whose import is controlled to protect a developing industry. In practice, most restricted items are denied approval unless it can be shown that local manufacturers cannot meet the product specification required by the local market.)

In most cases, applications for approval of imports of either "automatic approval" or "restricted" items will be processed by the foreign exchange banks. However, in a limited number of situations, an Import License must be obtained directly from the Ministry of Trade and Industry. The documents required when applying for a license to import are:

- a) one set of the application for a license to import
- b) four copies of the firm offer
- c) a letter of recommendation from the authorities concerned, in the case of restricted items.
- d) other documents, such as catalogues, as required.

2) Opening an Import Letter of Credit:

After obtaining the Import License, the importer must open an irrevocable letter of credit within 30 days (in case of usance L/C, 7 days) through an authorized foreign exchange bank in favour of the foreign supplier. To open a letter of credit, the importer has to make prior arrangements with a foreign exchange bank for such a transaction. Upon opening an L/C or obtaining an I/L, the importer will usually advise the foreign supplier of the fact by cable, telex or letter so that the supplier can ship the goods within the designated period.

3) Delivery of Shipping Documents:

The arrival of shipping documents is notified to the importer by the opening bank.

After the shipment is made, the foreign supplier will send the draft accompanied by the original shipping documents to the L/C opening bank and the L/C opening bank will, in turn, deliver the documents to the importer in exchange for payment of the draft. Upon arrival of the import cargo, the cargo will be stored in a bonded warehouse and kept in the custody of the customs house.

4) Customs Clearance:

Having obtained a delivery order (D/O) from the shipping company or shipping agent in exchange for the applicable bill of lading (B/L), the importer will then carry out customs clearance procedures directly or through a customs broker. Upon receipt of the declaration of the importer or the customs broker, the customs house appraises the import cargo and then levies an import duty in accordance with the tariff schedule.

After payment of the duty, the importer will obtain an Import Permit from the customs house and then will receive delivery of the cargo at the bonded warehouse. The documents required to make an import declaration for customs clearance are:

- a) the letter of import license
- b) one copy of the invoice
- c) a packing list
- d) a copy of the B/L
- e) the certificate of origin
- f) other documents as deemed necessary by the head of a customs house.

In connection with customs clearance, an importer must contract to carry out the customs clearance with a customs broker authorized by the Ministry of Finance unless he has been licensed in his own right as a customs broker.

5) Shipping Documents:

a) Commercial Invoices: Commercial invoices must be prepared by the supplier at the point of shipment and bear the full signature of the supplier. In order to facilitate customs clearance, it is desirable that the supplier furnish a certificate of origin along with duly signed commercial invoices to the consignee immediately following shipment.

b) Bill of Lading: No special regulations govern the preparation of bills of lading for shipments to Korea. To facilitate prompt customs clearance, however, shipping marks, numbers and other particulars on a bill of lading must be exactly identical to those of the actual shipment, the applicable invoice and the firm offer.

c) Documents for Air Cargo Shipments: All air cargo shipments must be accompanied by airway-bills together with the original of the consular invoices and certificate of origin. Air cargo shipments are subject to the same regulations which govern ocean freight shipments.

d) Quarantine and Other Special Certificates: To facilitate customs clearance of livestock, it is advisable to have the supplier send current quarantine certificates issued by the appropriate government agencies in the country of origin. Upon delivery of livestock to Korea, applications must be filed with the National Veterinary Quarantine Station for a Korean quarantine certificate before customs clearance can be secured.

e) Postal Freight Shipments: Commodities shipped by mail to Korea are subject to all the regulations governing cargoes shipped by ocean freight, including the requirement for quarantine and other special certificates.

Terms and Methods of Payment

The normal payment method of Korean importers is by irrevocable and confirmed sight letter of credit opened before shipment. In some cases business is done on documents against payment (D/P), on documents against acceptance (D/A) and usance stale bill of lading terms. Requests for payments other than irrevocable letter of credit and deferred payment terms should be approached with caution.

Prices and Quotations

Prices should be quoted Cost and Freight (C and F) Pusan or Inchon in U.S. dollars. In some cases quotations may be requested Free on Board (FOB) Canadian port.

Shipping Services

By Air

At present, there are two direct flights a week (Monday/Friday) between Vancouver and Seoul by Singapore Airlines and two by Korean Air (Tuesday/Saturday). Other direct flights between Canada and Korea via Air Canada are expected to be launched in the near future. In the meantime, there are numerous connection flights from Vancouver-Tokyo-Seoul via Canadian Airlines International, Korean Airlines, Japan Airlines and Northwest Orient Airlines. There are also non-stop flights to Seoul from New York, Los Angeles and Seattle. Canadian Airlines International accepts air cargo shipments for Korea.

By Sea

There are a number of lines serving the west and east coasts of North America which offer direct service or transshipment to Pusan and Inchon. Contact your freight forwarder or shipping agent to obtain information on the most recent shipping schedule.

Representatives and Agents

It is important to retain the services of a local agent when doing business in Korea, as knowledge of the local market, personal relationships, and constant follow-up are extremely important for successful penetration of the Korean market.

While selection of a suitable agent should depend on the Canadian suppliers requirements and the products being sold, agencies dealing simultaneously in competing products and those firms that deal with a wide range of products should be avoided.

A trial period of about six months is recommended in the case of an agent dealing with a known or standard product. In other cases the agent should be granted a trial period of one year. The Commercial Division of the Canadian Embassy can recommend potentially suitable agents according to company requirements.

IV. YOUR BUSINESS VISIT TO KOREA

Advise and Consult with the Commercial Division

When planning your visit to Korea, advise the Commercial Division of the Canadian Embassy in Seoul well in advance of your departure. If time is short, use Telex(Destination code 801- CANADA K27425) or Facsimile(82-2-755-0686). Explain the purpose of your visit and send several copies of your annual report and product brochures (6 copies) to identify you to the Korean customer. It also helpful if you work out the C.I.F prices on at least part of your product range, describe the type of companies that normally best handle your products and mention target customers you would like to reach. You should also list any contacts you may already have in the Korean business community. With this information, the Commercial Division will be able to arrange an itinerary and make appointments on your behalf. Because of the increasing number of Canadian businessmen visiting Canada's trade posts abroad, should you leave arrangements for hotel reservations to your travel agent. The Korea National Tourism Corporation publishes very practical tourist guides which contain useful information for the business visitor. They are normally available at Korean consulates in Canada.

When to Go

The best time to visit Korea is during spring and autumn. It is wise to avoid the hot summer period (July to August) and the holidays listed in Section I, especially the Korean Lunar New Year (late January to early February) and the Korean Thanksgiving holiday period (middle of September).

How to Get There

Singapore Airlines offers a bi-weekly direct flight service between Vancouver and Seoul on Mondays and Fridays. Korean Airlines also offer bi-weekly flights (Tuesday & Saturday) from Toronto and Vancouver. Air Canada will

eventually launch a similar direct service from Toronto and Vancouver. Please check with your travel agent for the exact start date. In addition, Canadian Airlines International offers several flights a week from Vancouver to Tokyo. From there, convenient connecting flights to Seoul are offered by Korean Airlines and an ever increasing number of Japanese and international carriers on a daily basis. The full economy fare from Eastern Canada to Seoul return is approximately \$3,200. However, cheaper fares are available, as most airlines offer discounts. Alternatively, Korean Airlines, Northwest Airlines, United Airlines and Delta offer direct flights from major transfer points in the United States.

Arriving at Kimpo International Airport

Korean regulations require that an oral and written declaration be made by each visitor at the point of entry. Please make sure you respect the prescribed restrictions on the maximum quantity of alcohol, cigarettes, etc. that can be imported.

Two airport bus lines connect Kimpo International Airport with major hotels located downtown Seoul for a fare of less than one dollar. Taxis are also available and will charge approximately \$9.00 for the same run. (Do not take taxis offered by individuals at the exit door, but wait in the taxi line unless you wish to be overcharged). It usually takes 40 minutes from the airport to downtown Seoul

Travel in Korea

Passports are required for internal flights in Korea. Korean Airlines is presently the main airline servicing domestic routes. A second national carrier Asiana Airlines now serves a limited number of domestic routes. The longest internal flight takes about 90 minutes by F-27 or 50 minutes by A-300 Airbus. There are 21 flights daily from Seoul to Pusan and 10 flights on most days to Cheju Island. There are also frequent flights to Taegu, Kwangju and other major cities. Express highway bus lines and rail transportation facilities also connect all major cities and industrial estates. The longest ride takes about six hours by express bus and about 7 1/2 hours by rail.

Taxis are cheap and plentiful, but sometimes difficult to find; the minimum rate starts at W600 (\$1.00) for the first 2

kilometers, plus W50 (\$0.08) for each additional 400 meters or for each additional minute. Slightly more expensive "call taxis" or "hotel taxis" can be summoned by telephone. Chauffeured cars are preferable when you have a full program and can be rented for approximately W70,000 (\$120) per day, including gasoline. Bus service is also available but crowded and drivers usually do not speak English. The subway system is excellent, but crowded during peak periods. With the rapid increase on the number of automobiles in Seoul traffic is becoming increasingly congested and should be taken into account when planning your itinerary.

Hotels and Restaurants

Seoul is adequately supplied with deluxe and first-class hotels comparable to those found in Canada. The Chosun, Lotte and Seoul Plaza are all clustered in a two-block area of downtown Seoul, within five minutes' walking distance of the Canadian Embassy. The Hyatt, Shilla and Hilton hotels are a five-to-fifteen minute drive from downtown, while driving to the Sheraton Walker Hill requires about thirty minutes. Should you participate in a trade fair in the Korea Exhibition Center, the Ramada Renaissance and the Intercontinental are situated near to the exhibition hall and the World Trade Center. Your hotel reservation can be arranged through a travel agent or airlines in Canada, as most of the major hotels are affiliated with large international hotel chains.

Traditionally, tipping is not a Korean custom, and individual tipping is not encouraged. Most hotels, western restaurants and tourist facilities will add a 10% service charge to your bill.

Good western-style restaurants are mostly found in hotels. The adventurous can sample the numerous Korean, Chinese and Japanese eating places. Foreign wine and liquor are very expensive, but local beer and Korean white wine are inexpensive and good.

Passports

Visitors to Korea must have a valid passport. A visa is not required for a stay of less than 15 days. For longer visits a visa is required and can be obtained from any Korean diplomatic or consular post (See Section VI - Appendix for

useful addresses). For visitors unsure of the length of their stay, it is advisable to obtain a visa before leaving Canada, as visas cannot be issued within Korea. A residence permit is required when staying in Korea for more than 60 days; it can be obtained at any immigration office and must be surrendered upon departure.

Korean Currency

The unit of Korean currency is Won (indicated as W). Coin denominations are W1, 10, 50, 100 and 500. Banknotes are W1000, 5000, and 10,000. The exchange rate for the Won has been appreciating since 1987. As of December 1988, the rate was approximately W575 to the Canadian dollar.

Foreign Currency

Foreign banknotes and traveler's checks can be converted into Won at foreign exchange banks and other authorized money changers. Foreign currency evaluated at or more than US\$10,000 can be brought in, provided they are declared on the "Foreign Exchange Record". Credit cards including American Express, VISA, MasterCard, Diners Club and Carte Blanche are accepted at major hotels, restaurants and department stores.

Canadian Banks in Seoul

There are four Canadian banks in Seoul offering full commercial banking services such as trade and working capital finance, deposit services, foreign exchange, etc.

Bank of Montreal
14th Floor, Suhrin Bldg.,
#88, Suhrin-dong,
Chongro-ku, Seoul
Telex: K23198 MONBANK
Fax: 732-9200
Tel: 732-9206

Bank of Nova Scotia
9th Floor, Korea Chamber of Commerce Bldg.,
45, 4-ka, Namdaemunro,
Chung-Ku, Seoul
Telex: K29245 SCOTIA
Fax: 752-7189
Tel: 757-7171

Royal Bank of Canada
7th Floor, Kyobo Bldg.,
1, 1-ka, Chongro,
Chongro-ku, Seoul
Telex: K23834 ROYALBK
Fax: 736-2995
Tel: 730-7791

National Bank of Canada
6th Floor, Lecma Bldg.
146-1, Susong-dong,
Chongro-ku, Seoul
Telex: 25043 NABACSL
Fax: 755-3585
Tel: 733-5012/9

Business Hours

During weekdays, business hours in government offices run from 9:00 to 18:00 hours. Private businesses tend to begin their work at 8:30 and close at 19:00. They also work on Saturdays until around 14:00 hours. Banks are open from 9:30 to 16:30 weekdays and until 13:30 on Saturday. Department stores are usually open from 10:00 to 19:00 hours. Private shops remain open much later, some as late as midnight

Health

If you are coming directly from Canada or the United States, no vaccinations are required. However, if you have visited other Southeast Asian countries before coming to Korea you may be required to show a valid international Certificate of vaccination against smallpox, cholera or typhoid. It is advisable to have these inoculations before visiting the Far East. Do not drink the tap water in Korea. Bottled mineral water is readily available.

Medical Care and Emergency

FOCUS/HIART (Health Advice and Referral Team) can be called for references to English speaking Doctors willing and able to professionally treat foreign patients. This group will also assist with admission to a hospital for a small fee, if needed. Their numbers are: 798-7529 or 797-8212.

The following hospitals are recommended:

St. Mary's Hospital, Yoido, 784-1114;
Seoul National University Hospital, 7601-0114;
Cheil Hospital, 274-1231.

The following are clean Diagnostic Clinics for minor problems:

Seoul Clinical Laboratories, 732-3030;
International Clinic 796-1871/3.

If an ambulance is needed, call a hospital and ask for a doctor to accompany the driver.

Major hotels also have house doctors.

Dial 112 for police, and 119 for fire.

Communications

Air mail between Canada and Korea usually takes seven to fourteen days. For more pressing documents an international courier service should be used. Overseas telephone services are quite good and international direct dialing service is available. An operator-assisted call to Canada normally takes about five minutes to complete. The large hotels all offer Telex and Facsimile services to their guests in their Business Centers. Telegrams can be sent through the Korea Telecommunication Authority located downtown.

Electricity

In Korea, the current is mainly 110 volts/60 cycles, as in Canada. Although the electrical current recently supplied in rural areas is mostly 220 volts, visitors in major cities should be able to use their Canadian electrical equipment.

Civil Defence Drills

Air-raid drills are usually conducted on the 15th day of each month. The drills are announced in advance in English newspapers. During the drill, which last no longer than 20 minutes, all business activities cease and traffic comes to a complete standstill. If you are in a building, remain inside until you hear the third siren. If you are in the street or in a public place, follow the crowd to a lower level shelter, usually a building or a subway station. These drills are only exercises and, although you may initially be surprised, there is no need to be concerned.

Useful Extras

Seasoned business travellers usually bring a number of useful business and other supplies, including:

- . Company stationary for writing business letters and notes;
- . An adequate supply of business cards, preferably with Korean on the reverse side. They can be ordered in advance in major Canadian cities or upon arrival in Seoul;
- . Sales literature and samples;

Business Calls

Plan to make a maximum of two calls in the morning and two in the afternoon. Calls are rarely made before 10:00 a.m. because of traditional early morning staff meetings in Korean corporations. It is most important to make a complete presentation on your first call. This should include literature, specifications, samples if possible, and all the price, delivery and quality control information a buyer needs to evaluate the seller's capabilities against current sources. Most buyers keep up-to-date records of their suppliers and a favorable impression is made if a resume such as the following can be supplied at the time of the first visit:

- . vendor's name, address, telephone facsimile and telex numbers
- . name, address and telephone number of vendor's local representative (if applicable)
- . date established
- . size of plant
- . number of employees
- . main products

- . location of plant
- . description of plant facilities and equipment
- . transportation methods used
- . approximate annual total sales and export volume
- . list of representative customers
- . copies of advertisements published in Canada and
- . financial and credit rating

Business Etiquette

At first glance, Korean culture appears to be somewhat westernized. However, one should not be deluded by this as Koreans have developed their own unique business protocol. The following section offers some helpful hints on dealing with Korean businessmen.

In preparing for your initial meeting with a Korean businessmen it is important and advisable to have a formal introduction from an appropriate intermediary. The formal introduction will aid in gaining the respect and co-operation of your Korean counterpart. It is not recommended to make contacts directly or to just "pop in," as Koreans will be hesitant in dealing with unknown visitors. The Commercial Division of the Canadian Embassy can introduce you to potential Korean customers.

It is wise to bring many business cards on your visit to Korea, as the exchange of business cards plays an important role in initial meetings. Great importance is placed on a person's position in an organization's hierarchy. A Korean businessman will normally not be at ease until he knows who his visitor is representing and his position within the organization.

You should arrive on time for your meetings. A typical meeting will start with the exchange of business cards and then a formal handshake. Your host will then indicate the seating arrangement which will usually have the most senior Canadian businessman sitting closest to his Korean counterpart.

It is a good idea to arrange the business cards on the table in front of you in order to become accustomed with the names of your hosts. Because there are relatively few family names in Korea this is a useful method, also used by

Koreans, for associating a name with a face. Allow your host to talk first and expect most of the conversation in the meeting to be between the most senior representatives. Even if your host does not speak English comments should be addressed to him and not to his translator. Your host should also be allowed to make his comments without interruption.

Usually, business meetings with foreigners will be conducted in English. Do not take your host's comprehension of the English language for granted, however. Their perception of points made during a meeting may differ from what you believe is understood. For this reason it is advisable not to overwhelm your host with many issues; instead emphasize and repeat key points using clear and simple words. In certain cases, it might be useful to hire an interpreter (The Embassy can make recommendations).

During the meeting, the Canadian businessman should not be discouraged by periods of silence; often the Korean businessman will require time to compose and translate his thoughts into English. Also, do not be taken aback if your hosts clarify issues by talking among themselves, for a few minutes in Korean.

Finally, the Canadian businessman should realize the importance placed on personal relationships when doing business in Korea. Hence, newcomers to the Korean market should note that patience, presence and persistence may be required to develop the good personal relationships necessary for success in the Korean market.

After Your Visit

Appropriate follow-up can be crucial to the success of your business visit. Thank-you notes, brochures and requested information should be dispatched promptly. Regular contacts should be maintained with the Commercial Division at the Embassy, representatives, and important customers. Continuity in your relationships with Korean firms is especially important as key personnel may change positions more frequently than their Canadian counterparts.

The Canada Trade Center in Seoul

The Canadian Embassy in Seoul offers to Canadian exporters a facility to promote their products through individual display or seminars. This 'Trade Center' is located in the Embassy and can accommodate an audience of 20 persons. It is very well equipped with the latest audio-visual equipment and can be used for product demonstrations, technical seminars, solo shows or other promotional activities.

The Commercial Division of the Canadian Embassy in Seoul is responsible for the Trade Center, and individual companies are encouraged to take advantage of it. Any enquiries or reservations concerning the use of the center should be directed well in advance to the Commercial Division of the Embassy.

V. CANADIAN GOVERNMENT SERVICES AVAILABLE TO EXPORTERS

Market Advisory Services

As a service to Canadian business, the federal government maintains Trade Commissioners in 70 countries around the world. These representatives provide assistance to Canadian exporters and aid to foreign buyers in locating Canadian sources of supply. In addition to providing the link between buyer and seller, the Trade Commissioner advises Canadian exporters on all phases of marketing, including identification of export opportunities; assessment of market competition; introductions to foreign business persons and government officials; screening and recommending of agents; guidance on terms of payment; and assistance with tariff or access problems. Trade Commissioners also play an active role in looking for market opportunities and supporting promotional efforts.

An additional source of information is the group of trade development offices of the Department of External Affairs in Ottawa. Each of these offices concentrates on markets in specific geographical regions, in this case East Asia. They are the key government link in Canada for Trade Commissioners overseas. In the case of Korea, the Trade Commissioners in Seoul are in constant contact with their counterparts in the East Asia Trade Development Office in Ottawa (see address on title page). This office can provide the following types of general information:

- * market information, including economic outlooks for individual countries and information on the market for particular products and proprietary market studies;
- * market access information on tariff rates, regulations, licensing, non-tariff barriers, product standards, required documents, etc.; and
- * publications, including guides for Canadian exporters such as this one, and country briefs on smaller markets.

The trade development offices are also responsible for assisting and advising exporters on marketing their products and services, informing businessmen about export services provided by the Canadian government and about export opportunities as they arise.

If your company requires assistance in identifying overseas markets for your products, you should contact the nearest International Trade Center located in each Industry, Science & Technology Canada Office. Their addresses are listed in Section VII of this booklet. These offices, located in each province, assist exporters with market planning and can arrange for the assistance of both the relevant Trade Development Office in Ottawa and the Trade Commissioners overseas.

Export Development Corporation

The Export Development Corporation (EDC) is a Canadian Crown Corporation whose purpose is to facilitate and develop Canada's export trade.

EDC provides insurance, guarantees and export financing which, combined with financial advice and the organization of financial packages, facilitates the sale of Canadian goods and services and helps them compete effectively abroad.

The Corporation offers the services listed below.

Export Insurance and Related Guarantees

- * global comprehensive insurance
- * global political insurance
- * selective political insurance
- * specific transaction insurance
- * specific transaction guarantees
- * loan pre-disbursement insurance
- * foreign investment insurance
- * performance security insurance
- * performance security guarantees
- * consortium insurance
- * surety bond insurance
- * bid security guarantees

Export Financing and Related Guarantees

- * loans
- * multiple disbursement agreements
- * line of credit allocations
- * note purchases
- * forfeiting
- * loan guarantees

The EDC's head office is located in Ottawa (see Section VI). Regional offices are maintained in Montreal, Toronto, Vancouver and Halifax. Export insurance services are handled by these regional offices, as are general inquiries on other EDC services. Inquiries about export financing for a specific geographical area should be addressed to the Manager of the appropriate department in the Export Financing Group in Ottawa.

Program for Export Market Development (PEMD)

PEMD, the Program for Export Market Development is a trade promotion program of the Department of External Affairs. PEMD offers assistance to Canadian businesses to participate in or undertake various types of export promotion activities. PEMD covers projects initiated by both industry and government, and is designed to assist companies regardless of size.

Government-Initiated Activities:

- * **Trade Missions** seek to promote the sale of Canadian goods and services abroad, and gather market intelligence for Canada's industrial sectors;
- * government-initiated participation in recognized **Trade Fairs**.

Industry-Initiated Activities:

- * participation in recognized **Trade Fairs** outside Canada;
- * **Visits** outside Canada to identify markets, and visits of foreign buyers to Canada or to another approved location;
- * **Project Bidding**, or proposal preparation, at the pre-contractual stage, for specific project outside Canada involving international competition and formal bidding

- procedures;
- * the establishment of **Export Consortia** for companies that would be better able to exploit export opportunities by pooling their resources and sharing costs and risk with other companies;
- * the establishment of **Permanent Sales Offices Abroad**(excluding U.S.) in order to undertake sustained marketing efforts outside Canada;
- * **Special Activities** for non-profit food, agriculture, and fish organizations, marketing boards and agencies(for the benefit of their members).

PEMD also extends to businesses the possibility of entering into one- or two-year **marketing agreements** covering several of the above activities. Consult with your regional office of the Department of Regional Industrial Expansion in the province for more details.

Trade Fairs and Missions

In order to assist Canadian exporters in developing business in foreign markets, the Trade Fairs and Missions officer in the Asia and Pacific Branch, Department of External Affairs, Ottawa, organizes and implements the following trade promotion activities:

- * participation in trade fairs abroad;
- * trade missions to and from Canada;
- * in-store promotions and point-of-sale display; and
- * export-oriented technical training for buyer's representatives.

Publications

CanadExport is published bi-weekly and contains a variety of articles and reports on export opportunities, such as government services to industry, international market conditions and terms of access, industrial development, and joint industry-government efficiency studies. This publication is available without charge to Canadian companies from CanadExport, Department of External Affairs, Ottawa, Ontario, K1A 0G2.

In addition to CanadExport, the Department of External

Affairs publishes a series of export guides such as this one, covering most of Canada's major markets.

Industrial Co-operation with Developing Countries

The Canadian International Development Agency (CIDA) supports the involvement of Canadians in investment projects in developing countries through multilateral and bilateral development programs as well as through its Industrial Co-operation Program. Under this latter program, CIDA assists Canadian companies wishing to investigate industrial co-operation opportunities in developing countries and it funds pre-feasibility studies where such studies may lead to development projects.

VI. APPENDIX

-Useful Addresses

East Asia Trade Development Office
External Affairs Canada
125 Sussex Drive
Ottawa, Ontario K1A 0G2
Tel: (613) 996-7582
Telex: 053-3745

Export Development Corporation
Head Office:
110 O'Connor Street
Ottawa, Ontario

Mailing Address:
P.O. Box 655
Ottawa, Ontario K1P 5T9
Tel: (613) 237-2570
Telex: 053-4146
Facsimile: (613) 237-2690

- * The Export Development Corporation has offices in Vancouver, Montreal, Toronto and Halifax.

Canadian International Development Agency
Industrial Co-operation Division
Place du Centre
200, promenade du Portage
Hull, Quebec K1A 0G4
Tel: (613) 997-7901
Telex: 053-4140

Regional Offices in Canada

If you have not previously marketed abroad, contact the International Trade Center located in the regional offices of Industry, Science & Technology Canada. They are found at the addresses listed below;

Alberta

The Cornerpoint Building
Suite 505
10179-105th Street
Edmonton, Alberta T5J 3S3
Tel: (403) 420-2944
Telex: 037-2762
Facsimile: (403) 420-2942

British Columbia

Bentall Centre, Tower IV
Suite 1101
1055 Dunsmuir Street
P.O. Box 49178
Vancouver, B. C. V7X 1K8
Tel: (604) 661-1434
Telex: 04-51191
Facsimile: (604) 666-8330

Manitoba

3 Lakeview Square - 4th Floor
185 Carlton Street
Winnipeg, Manitoba R3C 2V2
Tel: (204) 949-4090
Telex: 075-7624
Facsimile: (204) 949-2187

New Brunswick

P.O. Box 578
590 Brunswick Street
Fredericton, New Brunswick E3B 5A6
Tel: (506) 452-3190
Telex: 014-46140
Facsimile: 9506) 452-3173

Newfoundland

Parsons Building
90 O'Leary Avenue
P.O. Box 8950
St. John's, Newfoundland A1B 3R9
Tel: (709) 772-4884
Telex: 016-4749
Facsimile: (709) 772-5093

Northwest Territories

Precambrian Building
P.O. Box 6100
Yellowknife, N.W.T. X1A 1C0
Tel: (403) 873-6225
Facsimile: (403) 873-6228

Nova Scotia

1496 Lower Water Street
P.O. Box 940, Station M
Halifax, Nova Scotia B3J 2V9
Tel: (902) 426-7540
Telex: 019-22525
Facsimile: (902) 426-2624

Ontario

Dominion Public Building
1 Front Street West
Suite 4840
Toronto, Ontario M5J 1A4
Tel: (416) 973-5000
Telex: 065-24378

Prince Edward Island

Confederation Court
134 Kent Street, Suite 400
P.O. Box 1115
Charlottetown, Prince Edward Island C1A 7M8
Tel: (902) 566-7400
Telex: 014-44129
Facsimile: (902) 566-7431

Quebec

Stock Exchange Tower
800 Victoria Square
P.O. Box 247
Montreal, Quebec H4Z 1E8
Tel: (514) 283-7907
Telex: 055-60768
Facsimile: (514) 283-3302

Saskatchewan

Bessborough Tower
Suite 814
601 Spadina Crescent East
Saskatoon, Saskatchewan S7K 3G8
Tel; (306) 665-4400
Telex: 074-2742
Facsimile: (306) 665-4399

Yukon

Suite 3-1
108 Lambert Street
Whitehorse, Yukon Y1A 1Z2
Tel: (403) 668-4655
Facsimile: (403) 668-5003

Korean Diplomatic Missions in Canada

Korean Embassy
5th Floor
151 Slater St.
Ottawa, Ontario K1P 5H3
Tel: (613) 232-1715/7

Korean Consulate General
1000 Sherbrooke Street W.
Suite 1710
Montreal, Quebec H3A 3G4
Tel: (514) 845-3243/4

Korean Consulate General
439 University Avenue
Suite 700
Toronto, Ontario M5G 1Y8
Tel: (416) 598-4608/10

Korean Consulate General
Suite 550, Guinness Tower
830-1066 West Hastings Street
Vancouver, B. C. V6E 3X1
Tel: 9604) 681-9581/2

Key Korean Government Organizations and Trading Companies

Government Offices

Ministry of Trade and Industry(MTI)
1, Jungang-dong,
Gwachon, Kyunggi, Korea
Tel: (02) 503-9440/1

Ministry of Finance(MOF)
171-11, Jungang-dong,
Gwachon, Kyunggi, Korea
Tel: (02) 503-7171/86
Telex: K23243 MIOFFI

- * Foreign Investment Promotion Division: Approves foreign investment in Korea
- * Overseas Investment Division: Approves Korean's overseas investment

Ministry of Agriculture and Fisheries(MOAF)
1, Jungang-dong
Gwachon, Kyunggi, Korea
Tel: (02) 503-7171/86

Ministry of Energy and Resources(MER)
1, Jungang-dong,
Gwachon, Kyunggi, Korea
Tel: (02) 503-7171/86

Ministry of Communications(MOCM)
100 Sejong-ro, Chongro-ku
Seoul, Korea
Tel: (02) 750-2114
Telex: K22090 MOCTEL

Ministry of Transportation(MOT)
168, 2-ka, Bongrae-dong, Chung-ku
Seoul, Korea
Tel: (02) 392-9801/8

Ministry of Construction(MOC)
1, Jungang-dong,
Gwachon, Kyunggi, Korea
Tel: (02) 503-7318
Telex: K24755 MOCONST

Office of Supply(OSROK)
520-3, Banpo-dong, Kangnam-ku
Seoul, Korea
Tel: (02) 533-9656
Telex: K23244

Industrial Advancement Administration
2, Jungang-dong,
Gwachon, Kyunggi, Korea
Tel: (02) 503-7950/9

Office of Patents Administration
823-1, Yeoksam-dong, Kangnam-ku
Seoul, Korea
Tel: (02) 568-8151/64

Korean National Railroad(KNR)
168, 2-ka, Bongrae-dong, Chung-ku
Seoul, Korea
Tel: (02) 392-0078

Government Agencies

Korea Trade Promotion Corp. (KOTRA)

Head Office:

159 Samsung-dong, Kangnam-ku

Seoul, Korea

Tel: (02) 551-4477

Fax: (02) 551-4477

Telex: K27326 KOTRA

Toronto Office:

Suite 600, P.O. Box 9

The Thomson Bldg.

65, Queen Street West

Toronto, Ontario M5H 3R3

Tel: (416) 368-3399

Fax: (416) 368-2893

Telex: 06-23426

Vancouver Office:

Suite 1710, 1 Bentall Centre

505 Burrard St.

Vancouver, B.C. V7X 1M6

Tel: (604) 683-1820

Telex: 04-54276 MOOGONG VCR

Korea Mining Promotion Corporation(KMPC)

686-48, Shindaebang-dong, Dongjak-ku

Seoul, Korea

Tel: (02) 833-0040/9

Telex: K22952 KMPCO

Korea Petroleum Development Corp. (PEDCO)

84, Nonhyun-dong, Kangnam-ku

Seoul, Korea

Tel: (02) 547-5321

Telex: K24593 PEDCO

Korea Telecommunication Authority (KTA)

100, Sejong-ro, Chung-ku

Seoul, Korea

Tel: (02) 550-3114

Telex: K23717

Fax: (02) 550-4099

Korea Chamber of Commerce and Industry(KCCI)
45, 4-ka, Namdaemun-ro, Chung-ku
Seoul, Korea
Tel: (02) 757-0757
Telex: K25728 CHAMBER
Fax: (02) 776-8213

Pohang Iron & Steel Co., Ltd.(POSCO)
Pohang P.O. Box 36
Pohang-shi, Kyongbuk, Korea
Tel: (0562) 70-0114
Telex: K54474 POSCO
Fax: (0562) 72-7590

Data Communications Corp. of Korea (DACOM)
RCO P.O. Box 58
Seoul, Korea
Tel: (02) 796-6001/3
Telex: K28311 DACOM

Korea Foreign Trade Association(KFTA)
159-1, Samsung-dong, Kangnam-ku
Seoul, Korea
Tel: (02) 551-5114
Fax: (02) 551-5100
Telex: K24265 KOTRASO

Association of Foreign Trading Agencies of Korea (AFTAK)
45-14, Yoido-dong, Youngdungpo-ku
Seoul, Korea
Tel: (02) 782-2205/9
Telex: K23540 KOFFER
Fax: (02) 785-4373

Electronic Industries Association of Korea(EIAK)
C.P.O. Box 5650
Seoul, Korea
Tel: (02) 553-0941/7
Telex: K28999 EIAKS
Fax: (02) 555-6195

Korea Society for the Advancement of Machine Industry(KOSAMI)

13-31, Yoido-dong, Youngdungpo-ku

Seoul, Korea

Tel: (02) 782-5611/4

Telex: K25659 KOSAMI

Fax: (02) 784-6749

National Livestock Cooperatives Federation(NLCF)

17-9, Yoido-dong, Youngdungpo-ku

Seoul, Korea

Tel: (02) 783-0051

Fax: (02) 783-7047

Korea Feed Association(KFA)

C.P.O. Box 3473

Seoul, Korea

Tel: (02) 581-5721/33

Telex: K22835 KOFEED

Fax: (02) 587-2910

Korean Commercial Arbitration Board

C.P.O. Box 681

Seoul, Korea

Tel: (02) 778-2631/5

General Trading Companies

Daewoo Corp.

C.P.O. Box 2810

Seoul, Korea

Tel: (02) 771-91

Telex: K23341 DAEWOO

Fax: (02) 753-9489

Hyosung Corp.

C.P.O. Box 1852

Seoul, Korea

Tel: (02) 771-11

Telex: K23121 HYOSTAR

Hyundai Corp.
C.P.O. Box 8943
Seoul, Korea
Tel: (02) 741-4141
Telex: K23175 HDCORP
Fax: (02) 741-2341

Korea Trading Int'l Inc.
C.P.O. Box 3667
Seoul, Korea
Tel: (02) 755-9261
Telex: K27434 KOTII
Fax: (02) 753-5131

Kukje Corporation.
C.P.O. Box 747
Seoul, Korea
Tel: (02) 797-7111
Telex: K22534
Fax: (02) 797-5444

Kumho & Co., Inc
C.P.O. Box 4585
Seoul, Korea
Tel: (02) 771-71
Telex: K24497 KUMHO
Fax: (02) 752-4480

Lucky-Goldstar Int'l Corp.
Yoido P.O. Box 699
Seoul, Korea
Tel: (02) 787-1114
Telex: K27266 LGINIL
Fax: (02) 785-7762

Samsung Co., Ltd.
C.P.O. Box 1144
Seoul, Korea
Tel: (02) 751-2114
Telex: K23544 STARS
Fax: (02) 752-7926

Ssangyong Corp.
C.P.O. Box 409
Seoul, Korea
Tel: (02) 274-2740/81
Telex: K23258 TWOMDRA
Fax: (02) 275-7040

Sunkyong, Ltd.
C.P.O. Box 1780
Seoul, Korea
Tel: (02) 758-2114
Telex: K24851 SNKYONG
Fax: (02) 754-9414

Kolon Int'l Corp.
C.P.O. Box 1052
Seoul, Korea
Tel: (02) 758-6540
Telex: K26591 KOLONT
Fax: (02) 754-5314

Korean Banks in Canada

Toronto

Korea Exchange Bank
Exchange Tower
2 First Canadian Place
Suite 1140
P.O. Box 402
Toronto, Ontario M5X 1E3
Tel: (416) 364-2890
Telex: 06-23247 KOEXBANK TOR

Hanil Bank
Suite 6960
1 First Canadian Place
Toronto, Ontario M5X 1C9
Tel: (416) 865-0456
Telex: 06-23915 HANILBK TOR

Vancouver

Korea Exchange Bank
101 Bentall Centre
Suite 760
507 Burrard St.
Vancouver, B.C. V7X 1M4
Tel: (604) 684-6391
Telex: 04-55781 KOEXBANK VCR

Hanil Bank
Suite 2674
Four Bentall Centre
1055 Dunsmuir St.
P.O. Box 49283
Vancouver, B.C. V7X 1L3
Tel: (604) 681-2266
Telex: 04-507861 HANIL BK VCR

Major Airlines and Hotels

Airlines

Air Canada
c/o Dongbo Air Services Co., Ltd. (air cargo only)
11th Floor, Samhwa Bldg.
21, Sokong-dong, Choong-ku,
Seoul
Tel: 757-9181/5

American Airlines
1st Floor, Chosun Hotel
87, Sokong-dong, Choong-ku
Seoul
Tel: 755-1345

Canadian Airlines International
c/o Dosung Co., Ltd.
Rm. 205, Chosun Hotel
87, Sokong-dong, Choong-ku
Seoul
Tel: 753-8271/5

Cathay Pacific Airways Inc.
7th Floor, Kolon Bldg.
45, Mukyo-dong, Choong-ku,
Seoul
Tel: 779-0321/9

Japan Airlines
Paiknam Bldg.
188-3, 1-ka, Ulchi-ro, Choong-ku
Seoul
Tel: 755-8271/4

Korean Airlines
Seosomun KAL Bldg.
41-3, Seosomun-dong, Choong-ku
Seoul
Tel: 751-7114

Northwest Airlines
Injoo bldg.
111-1, Sereen-dong, Chongro-ku
Seoul
Tel; 734-7800

Pan American World Airways Inc.
Rm. 504, New Korea Bldg.
192-11, 1-ka, Ulchi-ro, Choong-ku
Seoul
Tel: 757-8916

Hotels

Chosun Hotel
87, Sokong-dong, Choong-ku
Seoul
Tel: 771-05
Telex: K24256
Mailing Address: C.P.O. Box 3706, Seoul

Hotel Lotte
1, Sokong-dong, Choong-ku
Seoul
Tel: 771-10
Telex: K23533

Hotel Shilla

202, 1-ka, Jangchung-dong, Choong-ku,
Seoul

Tel: 233-3131

Telex: K28937

Mailing Address: C.P.O. Box 7000, Seoul

Hyatt Regency Seoul

747-7, Hannam-dong, Yongsan-ku
Seoul

Tel: 798-0141

Telex: K24136

Mailing Address: C.P.O. Box 7000, Seoul

Seoul Hilton International

395, 1-ka, Namdaemun-ro, Choong-ku,
Seoul

Tel: 778-1351

Telex: K26695

Mailing Address: C.P.O. Box 7692, Seoul

Seoul Plaza Hotel

23, 1-ka, Taipyung-ro, Choong-ku,
Seoul

Tel: 771-22

Telex: K26215

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Korea Amateur Sports Assn.

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City Hall

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조선호텔
Chosun Hotel

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