



Location

Location Bongdong-ri, Gaeseong City, North Korea (approx, 817 acres)

Developer Korea Land Corp.(financing · lot leasing), Hyundai Asan Corp.(construction)

The Gaeseong Industrial Complex(GIC) is located about 38 miles(60 kilometers) north of Seoul, the capital city of the Republic of Korea. It takes one hour to travel by car. The GIC is approximately 100 miles(160 kilometers) from Pyongyang the capital city of DPRK. Located 31 miles (50 kilometers) from Incheon International Airport, the GIC has direct links to the world's markets through Incheon International Airport and Incheon Port.



Major Statistics

Gaeseong Industrial Complex at a Glance

(Unit : US\$1 million)

Categories	2005	2006	2007	2008	2009	2010.8
No. of enterprises in operation	18	30	65	93	117	121
Production	15	74	185	251	256	213
Export	1	20	39	36	29	25

* Output by Product (as of Aug, 2010): textile (55.5%), chemicals (7.2%), metal/machinery (16.1%), electronic/electrical (20.3%), and others (0.9%)

No. of Current Workers : 45,148

(802 South Korean workers and 44,346 North Korean workers)

(Unit: 1 person)

Categories	2005	2006	2007	2008	2009	2010.8
North Korean workers	7,621	11,189	22,538	38,931	42,561	44,346
South Korean workers	490	791	785	1,055	935	802
Total	8,111	11,980	23,323	39,986	43,496	45,148

Visitors to Gaeseong Industrial Complex

(Unit: 1 person, 1 vehicle)

Categories	2005	2006	2007	2008	2009	2010.8
Visitors	40,874	60,999	100,092	152,637	111,830	97,476
Visiting vehicles	19,413	29,807	42,399	85,626	72,597	64,763



History

- Jun. 2003** Ground-breaking ceremony for the construction of the Gaeseong Industrial Complex(first phase)
- Oct. 2007** Completion ceremony for the construction of infrastructural facilities for the first phase
- Feb. 2009** The number of tenant enterprises reached 100
- Aug. 2010** The amount of cumulative total production reached US \$994 million



Before development



Present

The site of mutual benefits
and common prosperity

Gaeseong Industrial Complex



The government's position remains firm: we will develop the Gaeseong Industrial Complex stably as a symbol of mutual benefits and common prosperity between the North and the South.

This is because the Gaeseong Industrial Complex is a space where we can foster hopes for the future, even in the midst of military and security tensions engulfing the two Koreas.

- In a keynote speech of Unification Minister at the Seoul Foreign Correspondents' Club -



The common brand of
Gaeseong Industrial Complex which
symbolizes "peace and unification"



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Significance

- Combining capital and technology of the South with the land and labor of the North, the Gaeseong Industrial Complex (GIC) aims to bring economic benefits to both Koreas.
- The GIC is a new way out for South Korean small and medium-sized enterprises to overcome existing high costs, low efficiency and labor shortage while also benefiting the North Korean economy.
- Hundreds of businessmen and vehicles are passing through a Gyeongui road line across the Demilitarized Zone every day to run their businesses. This project contributes to building mutual trust, promoting peace and establishing a foundation for unification on the Korean peninsula.



Current Status

- As of Aug 2010, a total of 121 companies are in operation at the GIC. The cumulative total production within the GIC (from January 2005 to Aug 2010) reached US\$994 million. The total export value from the Complex over the same period amounts to US\$149 million.
- Currently, 44,346 North Koreans and 802 South Koreans are working in the Complex. North Korean workers receive monthly salaries of approximately US\$77 (including 15 percent social insurance fees).
- Many overseas investors such as EU Executive Board, EU Chamber of Commerce, ASEAN FTA negotiating team and the Diplomatic Corps in Korea visited the GIC and showed high interest in facilities and competitiveness of the GIC.

Infrastructural Facilities

- The Gaeseong Industrial Complex provides service water facilities (30,000 tons/day), wastewater processing facilities (15,000 tons/day) and waste processing facilities (landfill: 61,000m³, incinerator: 12 tons/day). Electricity and telephone services for the GIC are supplied by South Korea. At present, 100 MW of electricity is supplied to the Complex and 1,300 telecommunication lines link the GIC to South Korea.



Investment Procedure

- To invest in the GIC, a foreign enterprise has to establish a foreign investment corporation (minimum 50 million won investment is required) in the South, buy building lots and get approval of the government of South Korea.
- Currently, 6 lots of land (110,160m²) are allocated to several types of industries such as electricity and electronics to attract foreign investment and 3 lots (49,134m²) of them are sold to German, Chinese and other investment corporations.



Support for Overseas Sales

- The products produced in the GIC are brought in South Korea and then exported to the foreign states. The government of South Korea is promoting Free Trade Agreement to expand export of the products made in the GIC.
- Four concluded Free Trade Agreements (South Korea-Singapore, South Korea-EFTA, South Korea-ASEAN, South Korea-Indo CEPA) accord preferential tariff to the GIC products.

