

Convergence Cluster of the Food Industry
FOODPOLIS
Korea National Food Cluster



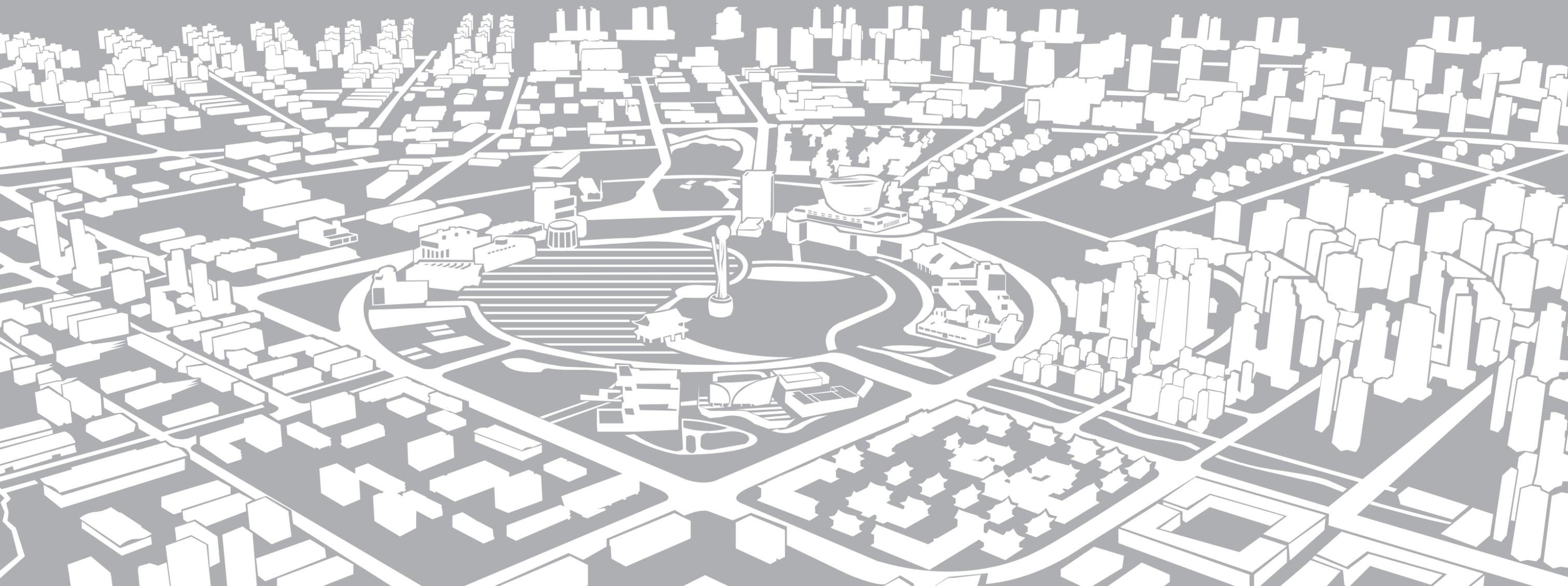
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WE Introduce

The New Hub of Global Food Business



Overview of Korea National Food Cluster



The Korea National Food Cluster(FOODPOLIS) is the government-supported food industrial complex in Northeast Asia. The complex is currently being developed by the Korean government and its construction in Iksan, Jeollabukdo will be completed by 2015.

FOODPOLIS is located in close to China, the fastest growing food market in the world. The complex will become the new center for Northeast Asia's food market, which boasts its size of 1.5 billion population.

FOODPOLIS is planning to attract 160 domestic & international food companies and research institutes. The new industrial complex of 2,320,000m² and the residential area of 1,260,000m² will serve as both a platform for the food industry and a cultural hub.

The Dynamic Korea

The 8th Biggest Trading Partner in the World

Korea becomes the world's 8th biggest trading partner in 2012. The country's annual trade volume exceeds over one trillion USD for two years in a row.





CHINA

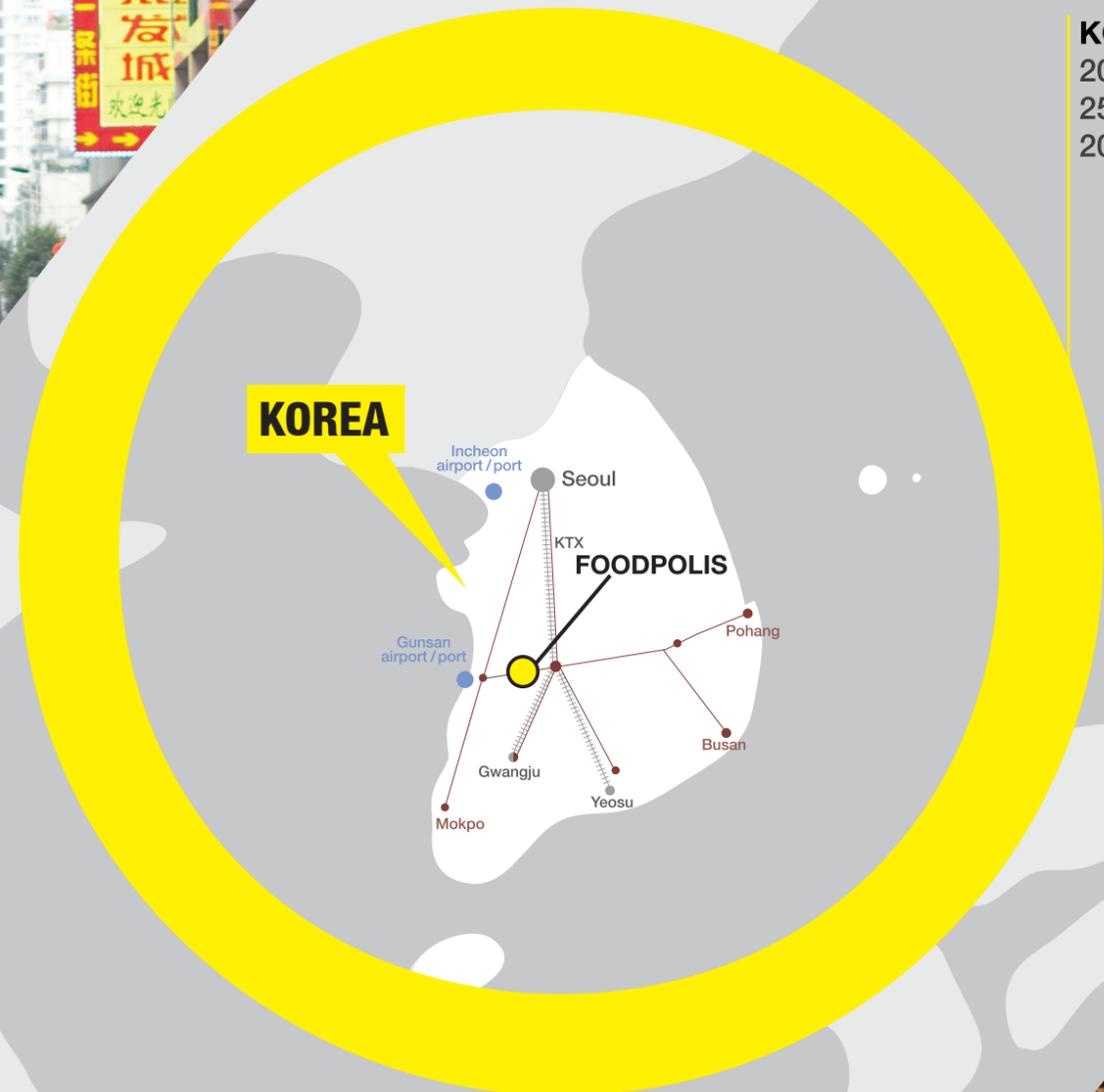
Neighboring Market

There are 1.5 billion people living in region (Northeast Asia) including China, Japan and Korea. By 2020, the region is expected to account for 1/3rd of the total trade volume and it will be center of economic development.

KOREA & CHINA & JAPAN

- 20% of the total GDP
- 25% of the total Population
- 20% of the total Trade in the world

[Source : IMF / CIA / KITA]



KOREA

JAPAN





WE Guarantee

That your food business will grow



FOODPOLIS, the **strategic hub** in Northeast Asia

FOODPOLIS is the best destination for food companies, considering its geographical location in the center of Northeast Asia's air and shipping logistics network. It is also the perfect place to establish your foothold to tap into Asia's rapidly growing consumer markets such as China and Japan.



Free Trade Agreement Brings New Market Opportunities

South Korea's economic development has been cited as a model case of economic growth due to its vibrant trade with other countries. As trade plays a pivotal role in leading the country's economic development, it is essential for Korea to continue to expand its trade relations.

The Korean government has concluded 8 FTAs with 47 countries that represent the EU, ASEAN and USA and these countries collectively account for 61% of global GDP, 46.2% of global trade and 39.7% of the global population.

| Current Status of Korea's FTA |

Effective & Concluded FTAs	Negotiating	Preparing for negotiations & joint research
Korea · Columbia (2013)	Korea · Canada	Korea · Japan
Korea · USA (2012)	Korea · New Zealand	Korea · China · Japan
Korea · EU (2011)	Korea · GCC	Korea · MERCOSUR
Korea · Peru (2011)	Korea · Australia	Korea · Israel
Korea · India (2010)	Korea · China	Korea · Central America
Korea · ASEAN (2007)	Korea · Mexico	Korea · Malaysia
Korea · EFTA (2006)	Korea · Vietnam	Korea · Russia
Korea · Singapore (2006)	Korea · Indonesia	Korea · Mongolia
Korea · Chile (2004)		Korea · SACU
Korea · Turkey (2012)		

Globalization of Food Industry

FOODPOLIS proposes to establish a one-stop export support system to provide tenant businesses with comprehensive assistance, covering the entire export process such as offering export information and buyer consulting. In addition, a trade education program will be provided to help tenant enterprises gain basic understanding of the market.



General Bonded Area

FOODPOLIS will operate a General Bonded Area, which will serve as a springboard for tenant enterprises to make inroads into the Northeast Asian markets. As customs and duties on raw materials do not have to be paid until the finalization of processing and export, a General Bonded Area will be a great advantage for export-oriented companies.



A photograph of two young women sitting in a library, surrounded by bookshelves. The woman in the foreground is wearing a red and white checkered shirt and blue jeans, smiling warmly at the camera while holding an open book. The woman behind her is wearing a pink shirt and is also smiling, looking towards the camera. The background is filled with colorful books on shelves, creating a bright and studious atmosphere.

Outstanding Human Resources

South Korea's economic success was possible due to its outstanding human resources and the country has been ranked 5th globally in terms of manufacturing productivity. In particular, OECD has benchmarked the Korean workforce for its high level of collaboration, work ethic and higher education rate.

As a result of the government's education policies,

more than a half the population is engaged in activities for self-development. International recruiting activities will attract overseas talent and FOODPOLIS will maintain a human resource databases from universities to help companies hire high-skilled employees.

FOODPOLIS, R&D-Oriented Cluster

R&D Support System

FOODPOLIS operates various R&D support systems that enables tenant companies to take care of administrative procedures such as application, contract signing and process management at a one-stop venue. The program also supports matching services; domestic & overseas specialist database and industry-university network to provide the technology needed by tenant companies.

Food Quality & Safety Center

The Food Quality & Safety Center conducts research in partnership with companies to improve their production process and to enhance food quality.

Food Functionality Evaluation Center

Food Functionality Evaluation Center develops functional materials and evaluates the functionality and safety of foods. It also provides training and consulting services throughout specified processes in the development of functional food and helps gain legal approval.

Food Packaging Center

Food Packaging Center provides packaging services that protect food with guaranteed safety so that consumers can enjoy its full taste and flavor without any compromise. In addition, the center provides support in analyzing and testing food packaging upon business request.



Alleviating Financial Burdens

FOODPOLIS will provide financial support to tenant companies by choosing commercial banks and operating FOODPOLIS funds. The main bank will offer favorable business loans as well as financial and management consulting. FOODPOLIS funds will support land purchase and construction for early stage companies in 2013 - 2014.

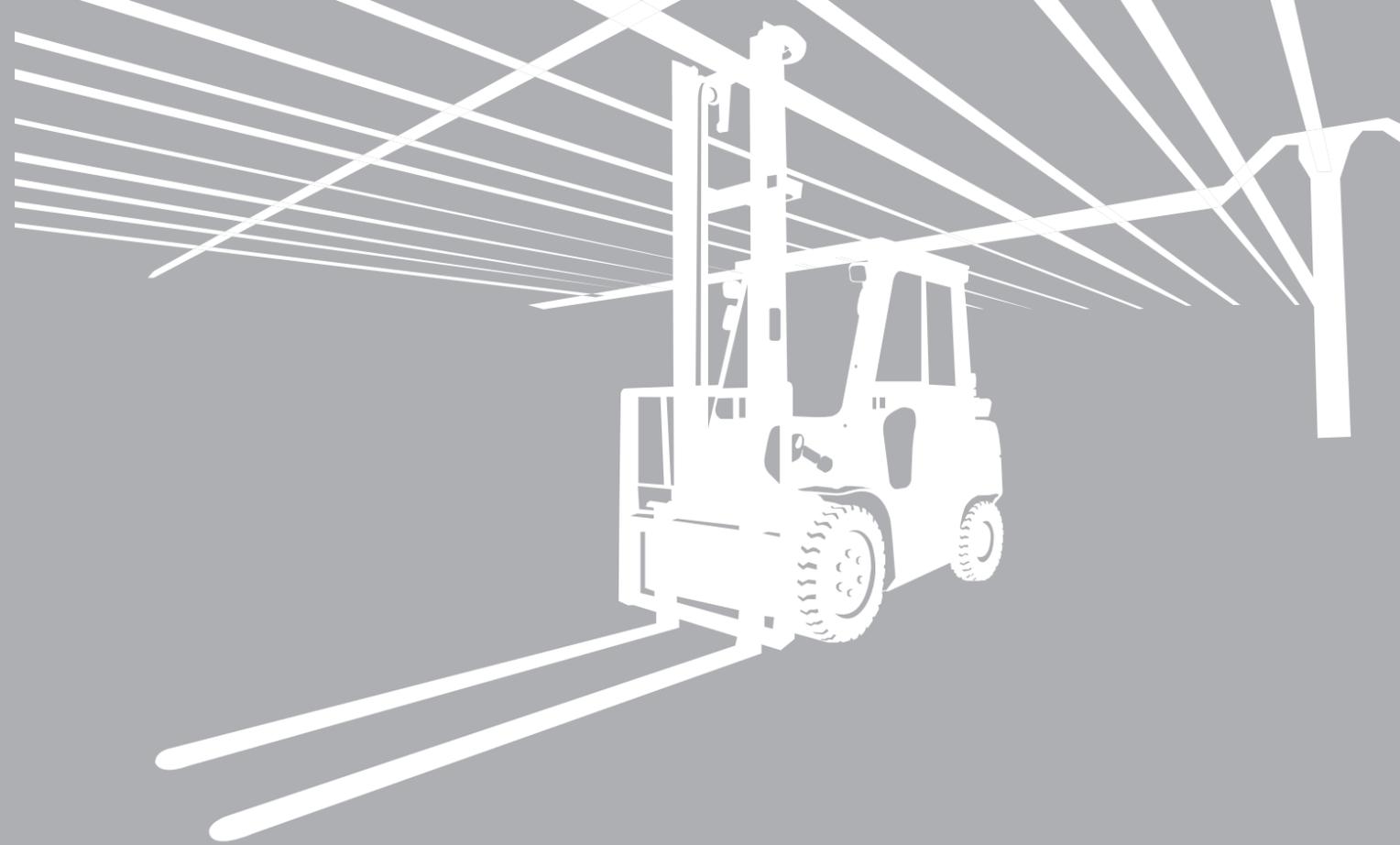


FOODPOLIS and You

What can we do once you've established operations in FOODPOLIS?

To help foreign businesses establish themselves within the cluster, the Agency will provide one-stop comprehensive services and these will include assigning a PM (project manager) to each investment case. The Agency for Korea National Food Cluster will serve as your reliable business partner to make the investment process as fast and convenient as possible.

Besides, the Agency connects people, matches knowledge demand and supply, assists in the preparation of project proposal and helps locate financing. FOODPOLIS provides rapid services in every field of activity and one can receive the service of one's choice in all areas including business and banking within a short period of time.



WE Dream
Of the world's best Food Cluster

FOODPOLIS Site Plan

Residential Zone

The residential area of 1,260,000m²(126ha) will accommodate housing, healthcare, education and food-culture related facilities

- A Housing Zone**
Main Facilities : Foreigner's residence, Town house, Hanoak village and Apartments giving priority for Foodpolis employees etc.
- B Food Commercial Zone**
Main Facilities : Convention Center, Business Area, Korean food street, Global food street etc.
- C Universities & Educational Facilities**
Main Facilities : Elementary, Middle school, High school, International school, Other educational institutes specializing in food etc.
- D Food & Culture Complex Zone**
Main Facilities : Food Exhibition & Taste Center, Food Museum etc.
- E Food Theme Park Zone**
Main Facilities : Global Food Theme Park, Urban Farm, Outdoor Festival Arena etc.



Industrial Zone

The plan is to establish 2,320,000m²(232ha) national industrial complex specializing in food by 2015

- 1 Enterprise Support Facilities Zone**
Main Facilities : 3 R&D centers, Rental plants, Pilot plants, Agency for Korea National Food Cluster
- 2 Private Research Zone**
Main Facilities : 10 Food research institutes
- 3 Strategic Food Zone**
Main Facilities : Functional foods, Biofood, Fermented food, Natural food additives and etc.
- 4 Foreign Investment Zone**
- 5 Logistics & Distribution Zone**
- 6 General Food Zone**
- 7 Waste Treatment Facilities**



6 Business Support Facilities

Food Quality and Safety Center

- Implements food safety-related legal regulations



Food Functionality Evaluation Center

- A one-stop support service for evaluating food functionality



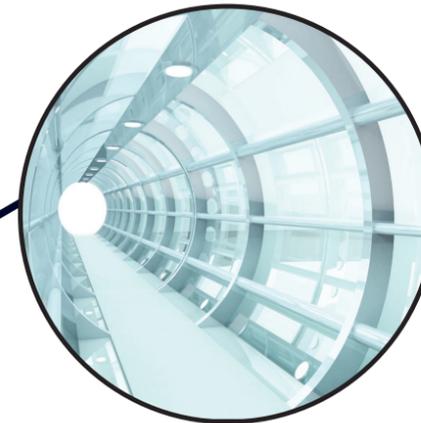
Food Packaging Center

- State-of-the-art packaging technologies
- Prompt process of analyzing and testing food packaging upon business request



Pilot Plant

- Produces prototypes and trials
- Establishes a world-class pilot plant



Rental Plants

- Provides production space at a reasonable cost for food companies



Agency for Korea National Food Cluster

- Provides comprehensive services with permanent step
- Serves as a networking coordinator between local & global businesses and laboratories
- General management of the cluster



The image features three white silhouettes of business professionals sitting around a table. On the left, a man in a suit is seated in a chair, facing right. In the center, another man in a suit and glasses is seated, looking towards the man on the left. On the right, a woman is seated, holding a tablet and looking towards the man in the center. The background is a solid dark gray. The text 'WE Provide' is positioned in the upper right area, with 'WE' in a large, bold, black font and 'Provide' in a white font. Below it, the tagline 'A variety of benefits for your business' is written in a smaller, white, italicized font.

WE Provide

A variety of benefits for your business

A photograph of a modern office lounge with large windows. In the foreground, three business professionals are seated in light-colored armchairs. A man in a dark suit and glasses is smiling and looking towards a woman on the right who is holding a tablet. Another man is partially visible on the left. In the background, other people are seated in similar chairs, some working on laptops. The scene is bright and professional.

Foreign Investment Zone (FIZ)

National Tax	(Corporate tax, Income tax) 100% exemption for the first three years, 50% reduction for following two years
Local Tax	(Acquisition tax, Registration tax and Property tax) 100% exemption for fifteen years
Tariff Exemption	Exemption applied to capital goods inflow raised from the acquisition of new stocks
Free / Reduced land lease	Land lease benefits (free of charge or at least 50% reduction) for 50 years, duration extendable (up to 100 years)

Subsidy

Investment Subsidy

Jeollabukdo (Province) : Minimum investment amount of 10 million USD, the subsidy to be provided within 5% of the invested amount up to 4 million USD

Iksan (City) : 4 million USD of the maximum per company in 5% of the investment amount if investment exceeds over 850,000 USD

Employment Subsidy

Jeollabukdo (Province) : Up to 430 USD per person for up to six months / the subsidy ceiling to be 430,000 USD per company

Iksan (City) : Up to 430 USD per person for up to six months / the subsidy ceiling to be 170,000 USD per company

Education & Training Subsidy

Jeollabukdo (Province) : 90 - 430 USD per person for six months (maximum 430,000 USD)

Iksan (City) : 430 USD / month per person for six months (maximum 170,000 USD)

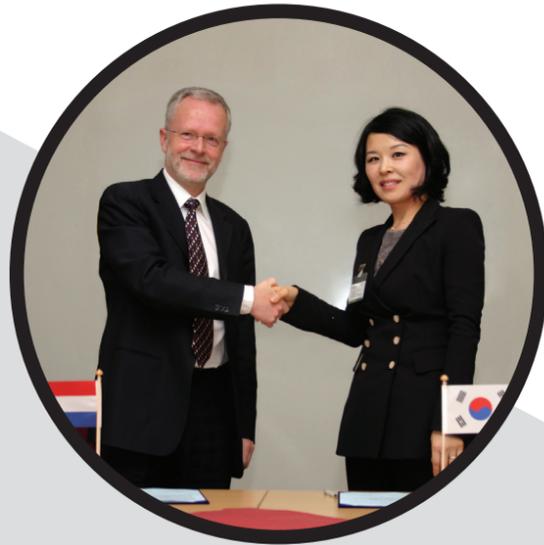
[Exchange rate of January 21, 2013 applied. The figures above may change due to exchange fluctuations]



WE Achieve

*The current investment MOUs
of Korea National Food Cluster*





Feb . 01 . 2013
NIZO(Food Research)
 in Netherland



Dec . 12 . 2012
Sunopta in Canada



Sep . 25 . 2012
CJ in Korea



Oct . 30 . 2012
Dongwon F&B in Korea



Dec . 10 . 2012
Instantlabs in USA



Dec . 07 . 2012
Jalux in Japan



Apr . 05 . 2012
Inter-burgo in Korea



Jul . 22 . 2011
Harim in Korea

The Gallery Zone of FOODPOLIS Investment MOUs

Investment MOU with Global & Local companies

A total of 63 investment MOUs have been signed as of February 2013. Cooperative relations and strategic partnership has been established worldwide including with East Netherlands Development Agency (Netherland), Wagralim Cluster (Belgium) and VITAGORA (France) among others.



Ministry of Agriculture,
Food and Rural Affairs

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