

Introduction

South Korea is a country in Eastern Asia occupying the southern half of the Korean Peninsula. It borders the Sea of Japan, the Yellow Sea, and North Korea. South Korea's terrain is mostly mountainous. The government system is a republic; the chief of state is the president, and the head of government is the prime minister. South Korea has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation. South Korea is a member of the Asia-Pacific Economic Cooperation (APEC) and the Asia-Pacific Trade Agreement (APTA).



Location: Eastern Asia

Capital City: Seoul (+9 GMT)

Chief of State: President Moon Jae-in

Head of Govt.: Prime Minister Lee Nak-yeon

Currency: South Korean won (KRW)

Major Languages: <p>Korean, English (widely taught in junior high and high school)</p>

Primary Religions: <p>Christian 31.6% (Protestant 24%, Roman Catholic 7.6%), Buddhist 24.2%, other or unknown 0.9%, none 43.3% (2010 survey)</p>

Calling Code: 82

Voltage: 220

Key Websites

Main Government Page: english.president.go.kr

Commerce Ministry: mofa.go.kr

Export Promotion Agency: kotra.or.kr

Investment Promotion Agency: investkorea.org

Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developed
GDP, PPP (current international \$):	\$1,872.13 billion (2016)
GDP growth (annual %):	2.83% (2016)
GDP per capita, PPP (current international \$):	\$36,532.47 (2016)
Manufacturing, value added (% of GDP):	29.34% (2016)
Current account balance (BoP, current US\$):	\$99.24 billion (2016)
Inflation, consumer prices (annual %):	0.97% (2016)
Labor force, total:	27,875,987 (2017)
Unemployment, total (% of total labor force) (modeled ILO estimate):	3.76% (2017)
Imports of goods and services (current US\$):	\$500.17 billion (2016)
Exports of goods and services (current US\$):	\$596.08 billion (2016)

GDP Composition %

Agriculture Industry Manufacturing Services



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	51 / 178
EY Globalization Index	33 / 60
Global Competitiveness Index	25 / 137
Global Enabling Trade Index	27 / 136
Global Manufacturing Competitiveness Index (GMCI)	5 / 40
Index of Economic Freedom	27 / 180
International Logistics Performance Index (LPI)	24 / 160
Inward FDI Potential Index	19 / 139
KOF Index of Globalization	53 / 185
Networked Readiness Index (NRI)	13 / 139
Open Budget Index	27 / 115

Risk Assessment (Provided by Coface)

Country rating: A2 - The political and economic situation is good. A basically stable and efficient business environment nonetheless leaves room for improvement. Corporate default probability is low on average.

Business Climate rating: A2 - The business environment is good. When available, corporate financial information is reliable. Debt collection is reasonably efficient. Institutions generally perform efficiently. Intercompany transactions usually run smoothly in the relatively stable environment rated A2.

Strengths

- Diversified industrial base
- Leader in high-end electronics
- Highly successful educational system
- High public R&D spending
- Increased Korean investment in China, Vietnam, and India

Weaknesses

- Steel, textile and shipbuilding industry affected by Chinese competition
- Weight of commodities imports
- High level of household and small business indebtedness
- Aging population
- High youth unemployment despite successful education system
- Unpredictability of the North Korean regime
- Weight of chaebols in the economy

U.S. Embassy

U.S. Embassy Seoul
 Seoul, Korea
 188 Sejong-daero, Jongno-gu,
 Seoul, Korea
 03141
 Phone: 82-2-397-4114/188 Sejong-daero, Jongno-gu
 Seoul 110-710
 Republic of Korea
 Tel: 82-2-397-4114

<https://kr.usembassy.gov>