

Saemangeum Lowers Barriers for Foreign Investment

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Revised Enforcement Decree for Saemangeum Project Act to be pre-announced starting 7 November to provide foreign companies new investments possibilities based on their parent companies' credit grades instead of getting evaluations under Korean corporation standards

The Ministry of Land, Infrastructure and Transport (MOLIT, Minister PARK Sang-woo) and the Saemangeum Development and Investment Agency (SDIA, Administrator KIM Kyung-ahn) will be pre-announcing the revised Enforcement Decree of the Special Act on Promotion and Support for Saemangeum Project for 40 days from 7 November to 16 December.

The purposes of this revision are to activate foreign investments in the Saemangeum area and to improve the operating standards of the Architecture Committee with the following key provisions.

First, it alleviates qualification requirements of foreign-invested businesses based on the revised enforcement decree allowing them to bring the credit ratings and capital strength of their parent foreign companies' to be evaluated domestically when they establish corporate body in Korea to implement any of Saemangeum projects.



This is an improvement for foreign-invested companies with the current difficulty in meeting the certain requirements*, including credit grades and capitals, etc. for the newly established corporate bodies, which deterring them from designating as implementers of Saemangeum projects with the expectation in reducing barriers for inflow investments while stimulating foreign investment.

* Corporate bond evaluation or corporate credit rating, equity capital of the most recent year, and total revenue

Second, it contains strengthening the Architecture Committee to respond to the rapidly growing demand for architectural approval in Saemangeum by increasing the number of committee members from 30 to 70, including experts in diverse fields such as urban planning, landscape, and transportation, etc. to reinforce its expertise.

The full text of the revised enforcement decree will be available for review starting November 7th on the MOLIT's website at [www.molit.go.kr] to accept public comments either by mail or through the website.