

ECCK Newsletter



December 11, 2014, No 16

Secretary-General's Message

Dear valued members and friends:

The year 2015 is already around the corner as we are approaching the end of year. I hope that you all have achieved your challenging business targets and that you can start shifting from now on step-by-step into a more private and festivity mood for Christmas.

I am proud to say that the ECCK has developed very positively in 2014. It is not that we reached all our targets but quite a lot of them. I am also very happy to see that our membership base has grown from 220 at the beginning of the year to 302. I believe the growth in membership is a good indicator to know how we are perceived by European businesses in Korea.

At the beginning of December, the ECCK co-hosted with TÜV SÜD the "International Symposium on Industrial Safety". Safety does and will remain a solid pillar of our overall CSR activities. That's why the ECCK is committed to safety conferences on an annual basis and by doing so trying to convince people living and working in Korea to change towards a more safe society. It will be a long way as it is not only about – although also important – regulation or certification but also about changing management; reaching people and make them aware that safety must always come first.

The second pillar we have established in the area of CSR is our "Grow Together" campaign we run jointly with our partner KOTRA. In our latest event on December 4, the Grow Together team of student volunteers, prepared eco bags and campaigned at Soongsil University to reduce the use of plastic bags.

The last point I would like to mention is the Business Confidence Survey. We have conducted the survey with other bilateral European chambers in the past three weeks. The online survey was closed last Friday, and we are to analyze responses to conclude what they mean for European businesses and the Korean public. We have received nearly 100 responses – although I was hoping for more, it is a good sample for analysis. The final results will be ready in January 2015, and we will keep you posted.

I wish you, your families and your employees, nice and enjoyable remaining days in 2014.

Best regards,

Christoph Heider
Secretary-General
European Chamber of Commerce in Korea

ECCK Events & Activities

ECCK Network Night



On November 27, more than 70 ECCK members and friends joined the Network Night at Oak Room Pub in Millennium Hilton Hotel. In a cosy and friendly atmosphere, seasoned with bars of melody from Noel McRobbie's piano performance, all enjoyed conversing with friends, tasty buffet dinner and bottomless wine, as well as a lottery event. Special thanks to Noel for beautiful music.



ECCK Real Estate Insight

On December 2, the ECCK held a seminar titled "Seoul: Inbound Market – Commercial Real Estate". Sponsored by Seoul Magok R&D Industrial Complex, ARA Asset Management, and Lee & Ko, the seminar addressed three major topics – i.e. Seoul as an inbound market, legal issues regarding inbound investment, and the government-led R&D district development.

ECCK Foundation Day

The ECCK celebrated its foundation day on December 3. Since its establishment two years ago, the Chamber has seen a substantial growth with a much larger membership base. In celebration of its achievement, ECCK staff had various team-building activities, followed by dinner with the members of the Board and Ambassador Kozłowski of the EU Delegation.



ECCK-KOTRA "Grow Together" Program

The ECCK and KOTRA conducted a campaign to increase the use of "eco bags" on December 4 at Soongsil University. Gregg Rossier, President of Henkel Korea, gave a speech at the short opening ceremony. Then, student volunteers, together with ECCK and KOTRA staff, screen printed the pictures of endangered animals on carrier bags and distributed them on campus to raise awareness of environmental issues and reduce the use of plastic bags. The campaign was supported by Henkel Korea and Audi Korea.



The campaign was part of the 2nd Grow Together program jointly organized by the ECCK, KOTRA, and foreign investment companies. The program is designed to encourage college students and foreign companies to volunteer to organize social activities.



International Symposium on Industrial Safety

On December 5, the ECCK and TÜV SÜD co-hosted the *2014 International Symposium on Industrial Safety* at Conrad Hotel. ChosunBiz supported the event as a media partner. Attended by government officials, industrial safety experts, and academics, the symposium focused on strategies for better safety management – including the third party inspection as a way of cooperation between government and business sectors.



Kwan-Sup Lee, First Vice-Minister of Trade, Industry, and Energy gave congratulatory remarks. Sidney Dekker, Professor at Griffith University in Australia and a leading safety expert, delivered a keynote speech in which he offered many thought-provoking arguments on safety.

Dr Kee-Bong Yoon, Chairman of the Korea Society for Energy Engineering, led the following panel discussion with the representatives from government agencies. Three breakout sessions were organized in the afternoon, addressing safety management in the automobile, plant, and construction industries.



Committee Events

Industrial Tour of Busan

The ECCK Logistics & Transport committee invited ECCK members to Busan for an industrial tour on November 13.



It was a unique opportunity for the delegation to visit Busan's major ports and terminals, such as BNCT (Asia's most modern terminal), BDC (Distribution Centre for Asian market), Busan north port and Busan port authority. Delegations also enjoyed a boat tour during their visit to the north port. The tour turned out to be a great success, introducing Busan's well developed ports and logistics systems where European businesses can find good business opportunities.

European Offshore Technology Seminar at Offshore Korea 2014

The ECCK Marine & Shipbuilding committee organized an offshore technology seminar on November 14 during the Offshore Korea 2014 exhibition. The seminar covered on health and safety issues in the offshore industry. Three presenters from Lloyd Register, CEJN Korea, and Bosch Rexroth Korea addressed the trend of health, safety, and environment (HSE) technologies and introduced their products with new safety features or specialized in offshore and control system.

MFDS Consultative Group Meeting

The 2nd Ministry of Food and Drug Safety experts' consultative group on cosmetic regulation and technology was convened on December 2. Ansook Park, the ECCK Cosmetic Committee director, joined the meeting as an appointed member of the group.

Roundtable with MoHW



The ECCK Healthcare Committee organized a roundtable talk with Ministry of Health & Welfare (MoHW) on December 9. Sunyoung Lee, Director of Pharmaceutical Benefits Division in MoHW, was invited to present "Updates & Prospect of Pharmaceutical Pricing Policy in Korea".

Participants actively engaged in discussion on recent regulatory change in reflecting the value-base of new or innovative drugs.

Upcoming Event

ECCK New Year Party



- Date: Thursday, January 22, 2015
- Time: 18:00 – 21:30
- Venue: Regency Room, Grand Hyatt Seoul

External Event Notice

The ASEAN-ROK Global Women Leaders Forum

- Date: December 10-12
- Venue: Novotel Ambassador Busan

The ASEAN-Republic of Korea (ROK) Global Women Leaders Forum is held from December 10-12 in Busan. The Forum is a part of special events hosted by the City of Busan to enhance the value of 2014 ASEAN-ROK Commemorative Summit, and aims to bring female leaders all over the world to create global networks for innovative and concrete action. The City of Busan, the US Embassy, Busan Women and Family Development Institute, and the ECCK are sponsoring the inauguration of the Forum.

For more information, please visit <http://www.globalwomenforum.org>

Special Report

COFACE holds Country Risk Conference in Seoul



COFACE, a leading credit insurance firm based in France, held the 2014 COFACE Country Risk Conference in Seoul on November 13, as a part of its annual worldwide event. More than 200 CFOs and executives of Korean companies and insurance firms participated in the conference, hearing the assessment of global and Korean economies by COFACE economists. It was the first time that the firm holds the Country Risk Conference in Korea, while the conference marks the 19th this year.

COFACE said the world economy has entered into a confirmed, but slow and uneven, recovery phase, with several factors suggesting the laborious nature of the post-crisis upturn. These include high levels of public and private debt, a credit dynamic below pre-crisis rates, a new risk of deflation in the Eurozone and weakened long-term confidence amongst the economic players.



Global growth for this year was forecast at 2.8%, up from 2.7% in 2013, which will be the first increase since 2010, although its level remains below that of pre-crisis levels (between 4% and 4.5% in 2006 and 2007). The advanced economies are the main driver of this acceleration,

whereas emerging countries are seen showing a slower growth. In 2015 the global economic growth is forecast to gradually gain a speed, with global growth estimated at 3.2%.



For Korea, COFACE forecast a 3.7% on-year growth for 2014 and another 3.7% growth for the next year, with rating the country A2, the second highest of its rating system. However, it warned of Korea's high household debt. Household's debt to total disposable income ratio jumped to 165% in 2012 from 125% in 2003 in Korea. Considering the fact the US saw a severe decline in consumer spending after the debt-to-income ratio hit 130% before the latest financial crisis, South Korea's high household debt could pose risks to future consumer spending and economic growth momentum going forward. As a result, corporate refinancing capability can be hit unless the Bank of Korea turns to play a supportive monetary policy, COFACE said.

The COFACE Group, a worldwide leader in credit insurance, offers companies around the globe solutions to protect them against the risk of financial default of their clients, both on the domestic market and for export. Each quarter, COFACE publishes its assessments of country risk for 160 countries, based on its unique knowledge of companies' payment behaviour and on the expertise of its 350 risk underwriters closely located to clients and their debtors. In France, COFACE manages export public guarantees on behalf of the French State.

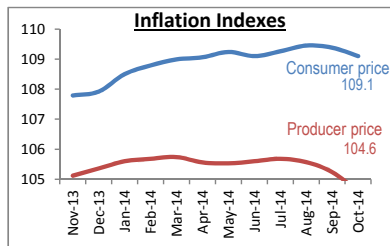


BNP PARIBAS

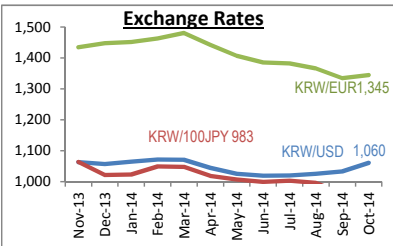
MACROECONOMIC INDICATORS SOUTH KOREA

	Figures	Tendency
GDP 2013** (bIn WON)	1,428,300.0	+ 3.7% /2012
Export* (bIn USD)	51.6	+7.5% / Sep
Import* (bIn USD)	44.3	-0.1% / Sep
Unemployment rate** (%)	3.5	0.0% / Aug

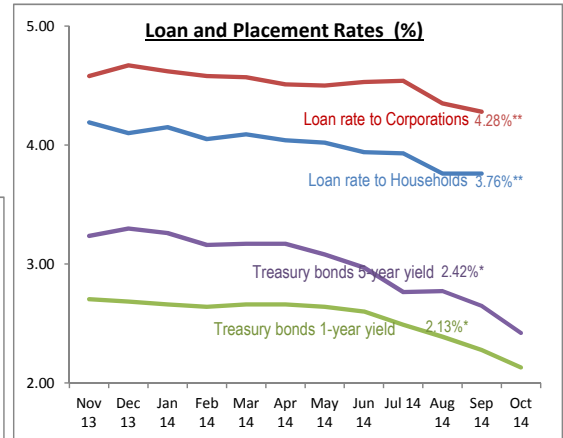
Source: *Korea Customs Service, **Bank of Korea(BOK) Data



Source: BOK Figures for Oct 2014



Source: BOK Figures for Oct 2014 (month average)



Source: BOK **Figures for Sep 2014 and * for Oct 2014