

Korea and Latin America
and the Caribbean
Open for Business



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Korea and LAC

Recently, Korea and Latin America and the Caribbean (LAC) have emerged as important economic partners. Korea's rapid economic growth and the potential of the LAC economy are creating opportunities for cooperation between Korean and LAC companies.

The Inter-American Investment Corporation (IIC) plays an important role in developing this cooperation by fostering ties between Korean and LAC companies.



About IIC and Korea

The IIC, a member of the Inter-American Development Bank (IDB) Group, is a multilateral organization based in Washington, D.C., that is committed to the development of Latin America and the Caribbean through the private sector.

As part of its mission, the IIC supports the private sector and state-owned enterprises through financing in the form of loans, equity investments, and guarantees. The IIC also partners with clients to provide advisory and training services.

In January 2016, the IDB Group consolidated its private sector operations in the IIC to better serve the region, clients and partners, and to maximize its development impact. The consolidated IIC offers the full array of private sector products and services previously offered across the IDB Group.

Korea joined the IIC in 2005 and established the US\$40MM IIC SME Development Korea Trust Fund (KTF). The KTF has contributed greatly to the development of LAC companies and the promotion of cooperation between Korea and LAC. Between 2005 and 2016, the Korea Trust Fund completed more than 1,000 activities benefiting a total of 4,834 companies in 24 countries in the region. In addition, 11 Korean institutions (universities, public institutions) and around 50 companies have participated in the KTF financed projects.

IIC - Korea SME Development Trust Fund

IIC-Korea SME Development Trust Fund, established in 2005 in the IIC, aims to aid business development in LAC.

\$40 Million
trust fund was created

+1,000 activities completed
More than 1,000 activities completed between 2005 and 2016

Latin America and the Caribbean

24 Countries benefited

Korea

11 Korean Organizations participated

4,834 Companies were supported

50 Local Companies were supported

Why **Korea?**

The Korean and LAC economies are complementary. Therefore, there are opportunities for cooperation in fields such as information, communications, energy, transport infrastructure, environmentally friendly energy, and climate change. Korea's advanced technology combined with natural resources in the region will create new business opportunities for both regions.

01

Sharing the experience and expertise of the rapid growth of the Korean economy

Korea was one of the poorest countries in the world with a per capita income in 1950 that was less than half of that of the average developing country. However, after 30 years of rapid growth, it has become an economically booming country with a powerful export economy.

Korea's rapid economic development



As the base for Korea's remarkable growth, the country is actively investing in education and supporting private companies with export-led economic policies.

Korea's economic development knowledge and experience will be helpful in planning and promoting economic growth in the region.



02

Tremendous business potential between Korea and LAC

Trade between Korea and LAC is shifting to focus on high-tech industry. This is in line with Korea's strategy to explore new markets and new technological cooperation with LAC.



Korea's Foreign Direct Investment helps LAC companies to improve their productivity and upgrade their marketing and logistics infrastructure, especially when it requires advanced technology.



03

Cooperative effort between Korea and LAC

The efforts of Korean and LAC governments have strengthened and deepened the economic cooperation between Korea and the region. Korea is actively promoting the formation of an economic bloc with the region and encouraging companies to participate in it. Based on these governmental efforts, Korea is emerging as an important economic partner in the region.



\$1 billion

Korea in 2015 promised financial support from 2015 to 2020



Free Trade Agreement concluded

Korea - Chile / Peru / Colombia



04

Technology transfer and R&D opportunities

between Korea and Latin America and the Caribbean

Korea is one of the leading countries in the mobile, automobile, shipbuilding and semiconductor industries with advanced technology.

Korea's industrial competitiveness

Possibility of transferring technology in fields of IT, automobile, shipbuilding and semiconductors.

Technology transfer from Korea will raise the technical competitiveness of Latin America and the Caribbean countries.

1st

Competitiveness of shipbuilding industry in 2015

2nd

Global semiconductor industry competitiveness

2nd

Mobile phone industry competitiveness in 2016

5th

Automobile industry competitiveness in 2013

B2B Korea-LAC Program

Building a bridge between Korea and LAC

Small businesses operating in Korea and LAC face obstacles such as language, culture, and different business practices which make it difficult to take advantage of opportunities to do business together. In order to address these problems, the IIC launched the IIC B2B Korea-LAC Program.

The Program promotes cooperation between companies in both regions by bringing together companies in B2B events in Korea and in LAC to achieve investments, technology transfer, sharing of experience and practical knowledge, and establishment of joint ventures. 369 companies from Korea and Latin America and the Caribbean participated in the past five B2B events in Korea and Latin America and the Caribbean.



B2B meetings involving companies in various industries

369
companies participating

470
B2B Meetings

18
MOU agreements concluded

Partnerships Between Korea and Latin America and the Caribbean achieving economic growth

The B2B Korean - LAC Program provides opportunities for Korean and LAC companies in many industries to communicate with each other to identify business partners creating opportunities for mutual benefit.

The Program is actively helping the companies to interact in fields including IT, construction, transportation, energy, and the environment.

ENFC Co., Ltd.

Looking for a partner in the field of environmentally friendly fuels and additives

Kim Moon Chan
President

“Our products are highly developed. IIC’s B2B Korea - LAC Program assisted us in finding the right business partners.”



ENFC provides environmentally friendly techniques related to engines oils and fuel additives, multi-purpose deodorants and produces biomass energy. It participated in the B2B Korea-LAC Program to explore new markets in the region.

After examining cooperation opportunities with CONATRA, a large-scale freight forwarder in the Dominican Republic, ENFC is testing the use of engine oil additive in the CONATRAS’s trucks. The company expects results from these tests in the near future.

In addition, ENFC is conducting negotiations and related tests with RENUISA, the largest car manufacturer in Peru, for engine oil use.

A-Tech Thermo Co., Ltd.

To promote joint venture investment beyond the export relationship in the transportation field

Lee Jae Gi
President

“I think that participation in the B2B Korea - LAC Program was a valuable opportunity to broaden our opportunities in Latin America and the Caribbean.”



Since 2008, A-Tech Thermo has been working with Refrival Colombia SAS in Colombia to maintain a partnership in the refrigerated truck business.

The participation of A-Tech Thermo and Refrival in the B2B Korea-LAC Program helped to create a more solid business model for the partnership.

At the time of the B2B Korea -LAC event in Bogota in 2014, the two companies signed an investment memorandum of understanding (MOU) and are currently coordinating the details of the joint venture agreement.

It is expected that the exchange between the two companies will result in an increase in the export of products.

Rothwell Watertech Global

Developments overseas in sewage and wastewater treatment systems

Lee Uk Jae
CEO

“I think that great progress is possible by making a large investment in the sewage treatment business through the B2B Korea - LAC Program and with the cooperation of public institutions and the private sector in the L A C region.”



Rothwell Watertech Global has been trying to enter the sewage treatment industry in Latin America and the Caribbean. Now it is possible for the company to seize the business expansion opportunities by meeting potential business partners through the B2B Korea-LAC Program.

The company signed an investment memorandum of understanding (MOU) with Kresky S.A.S in Colombia in 2014 and signed one with Metric E&C in Peru in 2015. Specifically, Rothwell is participating in a feasibility study with Metric E&C for the development of a small sewage treatment plant around Lake Titicaca, and is planning to participate in the project through technology transfer. Rothwell is now recognized as a company establishing a new direction for water management in Latin America and the Caribbean.

Hanwha S&C

Pioneering the markets in Latin America and the Caribbean with environmentally friendly businesses

Kim Young Wook
Senior Manager

“We hope there will be more official programs similar to the B2B Program in the future so that Korean companies, including our company, and LAC companies can apply for them.”



While looking for opportunities in the environmentally-friendly business in the region, Hanwha S&C got the opportunity to participate in IIC's B2B Korea-LAC Program.

As a result, the company signed MOUs with Integra SA in Colombia and Grupo IEMCA in the Dominican Republic in 2013 and 2015, respectively to solidify their relationships to cooperate on environmentally-friendly water resource management facilities, eco-bikes, intelligent traffic systems and solar energy businesses.

J&K Global Consulting

Choice for mobile business activation

**Hong
Kyoung Hoon**
CEO

“With the excellent theme of SME promotion, B2B Korea - LAC was a program that gave us the opportunity to enter the overseas market to offer various forms of support.”



J&K Global Consulting participated in the B2B Korea-LAC Program to promote its mobile business and to identify promising mobile business partners in Latin America and the Caribbean. Furthermore, it aims to establish a mobile business center which can serve as a venue for cooperation between Korea and Latin America and the Caribbean companies.

Participation in the B2B Korea - LAC Program creates the opportunity to build a network of key people in the industry, laying the foundation to assist in future business ventures. In fact, J&K Global Consulting made a contract to co-produce a film with Reel Entertainment, a Dominican film production company, which was established through B2B business.

BGN

Establishment of a foothold to advance the Latin America and the Caribbean sewer pipe business

**Cheon
Byeong Sun**
Director

“Given the challenges in Latin America and the Caribbean, I do not make an evaluation based on one or two trials or less than one year's worth of time. Rather, I spend at least three years' time making efforts to obtain good results.”



BGN manufactures a Robotic CCTV Inspection System, the equipment for internal inspection of pipelines necessary for better water quality management. It is one of the leading companies in the industry.

It participated in the IIC B2B Korea - LAC Program to enter the Latin America and the Caribbean market. Through participation in B2B business, the company has established a foothold for the expansion into the South American market by signing a MOU with Yamia S.A.C in Peru. BGN is currently considering further possibilities of cooperation through market research.

ABID KOREA Co., Ltd.

Progress of environmentally friendly new renewable energy technology

Choi Jae Su
Advisor

“Participation in the program has helped us to understand the business characteristics of Latin America and the Caribbean companies. We will continue to work to achieve business success.”



ABID KOREA is a company that provides eco-friendly renewable energy technology and consulting services.

It has participated in the IIC B2B Korea-LAC Program and has met reliable business partners in Colombia, Peru and the Dominican Republic.

It signed MOUs with Agropecuario Santo Domingo and Ventosa in the Dominican Republic in 2014 and with Casamar S.A.C in Peru in 2015.

Let's continue the conversation

Advisory services

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