

Daebul Free Trade Zone

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Ministry of Trade, Industry
and Resources
Daebul Free Trade Zone Office

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Ministry of Trade, Industry
and Resources

Witness the new global
business history
with Daebul Free Trade Zone.



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You are the Star of the Zone.

Daebul Free Trade Zone

What is a Free Trade Zone (FTZ)?

A FTZ refers to a zone where a nation provides the optimal investment environment to export companies and foreign invested companies. These zones are operated to attract foreign investment, bolster trade, facilitate international logistics and promote local development, as well as provide outstanding incentives including tax deductions, duty retentions, and exemption from various restrictions.

Daebul Free Trade Zone (Daebul FTZ) was designated in 2002 with the aim of growing the Southwest region of Korea into an international trade hub. Daebul FTZ is currently emerging as a global business hub and a leader of the quaternary sector and high-tech industry.



Location – 205 Jayumyeok-ro, Samho-eup,
Yeongam-gun, Jeollanam-do,
Republic of Korea

Area – 1,156,741.5m²



Occupancy Procedure and Requirements

Priorities are given to export companies, foreign invested companies, and knowledge-based services industries.



Export-oriented manufacturing businesses

Businesses with an export value of at least 30% of their total sales continuously for over a one-year period within past 3 years from the date of application

- 40% for medium-sized companies and 50% for large corporations
- ※ For businesses utilizing advanced technology in products or services: 20% for SMEs and 30% for medium-sized companies and large corporations

Foreign-invested companies

Businesses with foreign investments totalling over KRW 100 million, of which the foreign investor holds not less than 10% of the total number of shares or total investment amount, and with an export value of not less than 30% of its total sales continuously for over a one year period within the past 3 years from the date of application

Export and import-oriented wholesale businesses

Businesses with an export and import value of at least 30% of their total sales continuously for a one-year period within past 3 years from the date of application

- 40% for medium-sized companies and 50% for large corporations

Export-oriented U-turn companies

Businesses selected as reshoring companies eligible for support, with sales excluding the export value to the Republic of Korea accounting for at least 20% of their total sales continuously for a one-year period within past 3 years from the date of application

- 30% for medium-sized companies and large corporations

Knowledge-based services industry

Businesses with an export value of not less than 5% of its total sales continuously for over a one year period within the past 3 years from the date of application

Complex logistics business

Complex logistics businesses, including logistics (i.e., loading and unloading, transportation, warehousing, and display of goods), international transport brokerages, international vessel trading, packing, repairing, processing, or assembly

Incentives

Our collective support system provides various administrative services and incentives.

- 01

Tariff Retention

FTZs are deemed as foreign areas and duties imposed on imported goods are exempted or refunded

 - Facility materials, raw materials, construction materials, and other goods needed for the realization of business purposes are exempted from duties
- 02

Low lease prices for factory sites and standardized factories

50 year leasehold (extendable for another 50 years), low lease prices at 1% of land or building prices

 - Lease rate: Factory site about KRW 90/m²/month, standardized factory about KRW 600/m²/month
- 03

Lease rate exempted for foreign-invested companies

New growth engine businesses with foreign investment totalling not less than USD 1 million	100% Exemption
Parts and material businesses with foreign investment totalling not less than USD 5 million	
Manufacturing business with new foreign investment totalling not less than USD 5 million	75% Exemption
- 04

Tax deduction for foreign invested companies

Local tax (acquisition tax, property tax) deduction

 - New growth engine businesses with foreign investment totaling at least USD 2 million : 100% tax exemption for 5 years and 50% for 2 years thereafter
 - Manufacturing and logistics with foreign investment totaling at least USD 10 million and 5 million, respectively : 100% tax exemption for 3 years and 50% tax reduction for 2 years thereafter
- 05

Zero VAT

Zero VAT for foreign and domestic goods carried into the FTZ

 - Domestic goods to be used or consumed within the FTZ, foreign goods and services supplied or provided between the occupants, or domestic goods carried in by foreign corporation for storage purposes
- 06

Allow offshore operations

Parts of the manufacturing process may be carried out within and exported from tariff zones. Overseas goods such as facilities, tools and equipment needed for processing may be offshored to domestic tariff zones
- 07

Special benefits, such as exemption of contributions

Foreign investment companies are exempted from the obligation to employ vocational assistance
- 08

One-stop support system

Collective support for all occupancy procedures, such as occupancy agreement and building permits

Infrastructure

Daebul FTZ is a complex cluster hub for industries, logistics and administration, and is equipped with optimal infrastructure including **Gwangyang Port, Mokpo New Port, Muan International Airport as well as expressways and high-speed railways extending in all directions.**



Roads | Seohaean Expressway

Mokpo-Gwangju	1 Hour
Mokpo-Seoul	3 Hours and 30 Minutes



Seaports

Close to Daebul Port, Mokpo New Port (within 5km)	
Gwangyang Port (112km)	1 Hour and 20 minutes



Rail | KTX, SRT

Mokpo-Seoul	2 Hours and 30 Minutes
Mokpo-Osong	1 Hours and 40 Minutes



Airports

Muan International Airport (25km)	35 Minutes
Gwangju Airport (52km)	1 Hour

Eco-friendly residential environment

Namak New City, Korea's first city aiming to become a standard clean energy model city, and Oryong Zone, which is designed to be a walkable city, are located within 10 minutes from Daebul FTZ. Furthermore, nearby universities, general hospitals, major supermarkets and outlets provide an ideal residential environment.

Customized Professional Workforce

7 universities, 22 specialized high schools, and 26 vocational training institutes foster 26,000 industrial talents every year. In addition, the Korean government is providing its strong support to cultivate the outstanding workforce needed by businesses by promoting industry-academia-research networks.

Industrial infrastructure

Forms an industrial cluster linked with adjacent industrial complexes
Daebul FTZ is adjacent to large industrial complexes that nurture future industries from shipbuilding and vehicle tuning to aerospace industries; **Daebul FTZ provides an industrial environment that maximizes productivity and synergy.**

Shipbuilding, Machinery	New and Renewable Energy	Automotives	Aerospace	Major Industrial Complexes
• HD Hyundai Samho • Daehan Shipbuilding • Shipping Industry Support Center • Research Institute of Medium and Small Shipbuilding Southwest Headquarters • Korea Marine Equipment Research Institute Jeonnam Headquarters	• Creation of 8.2GW Marine Wind Generation Farm • Creation of Bitgaram Energy Valley • Ceramic Industry Comprehensive Support Center	• Jeonnam High Performance Vehicle Core Technology Research Center • Vehicle Tuning Factory • Kia • e-Mobility Research Center	• Naro Space Center • High-Tech Aerospace Material Center • Goheung Aeronautics	• Yeongam Daebul Industrial Complex • Gwangyang Industrial Complex • Yeosu Industrial Complex • Hampyeong Bitgreen Industrial Complex



Fully equipped with infrastructure ready for you to move in anytime

Electricity	Base rate (KRW 7,200 ~ 9,810/kW) + electricity fee (KRW 110~233.5/kW)
Industrial Water	Water and sewage (KRW 1,061~2,257/t) / Industrial water (KRW 513~592/t)
Waste Water	Within Daebul Industrial Complex: 25,000t/day

Standardized Factory



Facility Size					
Details		Light Industry		Heavy Industry	
		A TYPE	B TYPE	A TYPE	B TYPE
Number of facilities		2 Buildings	2 Buildings	2 Buildings	1 Building
Floor area (m ²)		17,340	18,489	14,652	6,375
Number of floors		4 floors	4 floors	3 floors	2 floors
Floor height	1st floor	5m	5m	9.5m	10.8m
	Other floors	4.5m	4.5m	4.5m	3.6m
Weight		600kgf/m ²		1,200kgf/m ²	
Electric capacity		750kW			
Structure		SRC			

- Light Industry
- Heavy Industry



Detailed Areas (m²)

Floors	Light Industry Building				Heavy Industry Building		
	Standardized Factory Building A	Standardized Factory Building B	Standardized Factory Building C	Standardized Factory Building D	Standardized Factory Building E	Standardized Factory Building F	Standardized Factory Building G
1st floor	2,249.23	2,249.23	2,249.23	2,249.23	2,928.52	2,928.52	5,939.79
2nd floor	2,294.52	2,294.52	2,294.52	2,294.52	762.12	762.12	435.28
3rd floor	2,762.14	2,294.52	2,294.52	2,762.14	3,467.88	3,467.88	-
4th floor	1,364.09	2,225.94	2,225.94	1,364.09	-	-	-
Rooftop	-	180.09	180.09	-	167.53	167.53	-
Total	8,669.98	9,244.30	9,244.30	8,669.98	7,326.05	7,326.05	6,375.07

Occupancy Type and Lease Rates



Lease Rate

Factory site
About KRW 90/m²/month

Standardized factory
About KRW 600/m²/month

Leasehold
50 years (renewable every 10 years, and may be renewed even after 50 years)

Lease deposit
Lease fee for 6 months

Common contribution
About KRW 8/m²/month



Additional Facilities

Equipped with convenient parking facilities

Elevators
2 for passenger/17-seater vehicles in each building (excluding Heavy Industry Buildings)
2 for cargo vehicles (4 tons)



Occupancy inquires in Daebul FTZ

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