

BIFC

BUSAN INTERNATIONAL
FINANCE CENTER



Busan Metropolitan City Services and Finance Division

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Busan Economic Promotion Agency Busan International Financial City Promotion Center

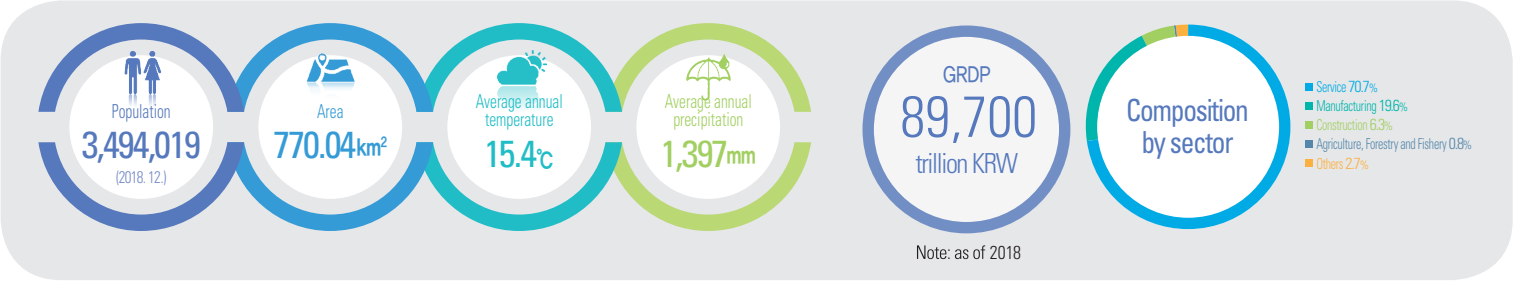
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About Busan

Overview

Busan, the gateway to the Northeast Asia and the hub of world logistics, is located on the southeastern tip of the Korean Peninsula and in the center of the nation's southeast economic bloc composed of Busan, Ulsan, and Gyeongnam Province.



Global Connected city



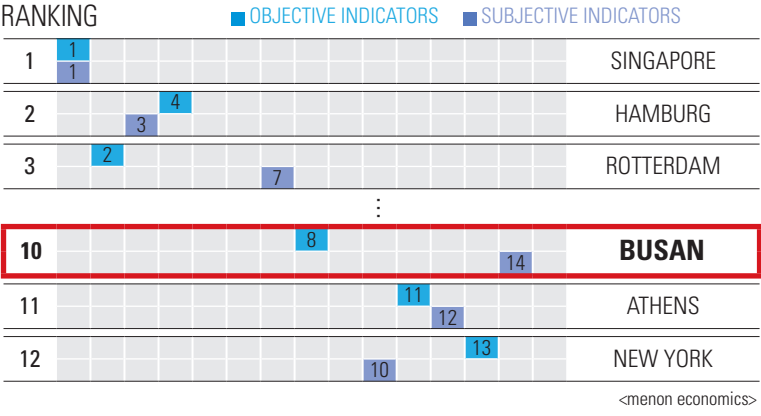
Using KTX, the shortest time from Busan to Seoul is 2H18M.
From Gimhae Airport, there are more than 1,300 direct flights to more than 43 cities every week. When traveling via Incheon International Airport, there are connect to 175 cities with 7,500 direct flights. Direct flight from Busan to Helsinki, Finland will be added in March, 2020.

Foreigner-Friendly City

• Foreign Schools

Schools	Language	Level of Education
Busan Campus of FAU Graduate School of Germany	English(Europe)	Graduate school
Busan International Foreign School	English(Europe)	Kindergarten, elementary school, junior-high school, high school
Busan Foreigh School	English(US)	Kindergarten, elementary school, junior-high school, high school
Busan Japanese School	Japanese(Japan)	Elementary school, junior-high school
Overseas Chinese Elementary School Busan	Chinese(China)	Kindergarten, elementary school
Overseas Chinese High School Busan	Chinese(China)	Junior-high school, high school

The Leading Maritime Capitals Of the World 2019



Global MICE City

900 or more conferences per year
4th in Asia in terms of the number of international conferences held
9th in the world in terms of the number of international conferences held

Global Port and Logistics City

Busan Port is the world's 6th largest in terms of container cargo handling volume
21,662,000 TEU(74.8% of national total)
National total 28,970,000TEU(as of 2018)

About BIFC

Since 2009 Busan Metropolitan City has been developing a financial hub specialising in maritime finance and derivatives. With its strategic location in the center of the southeast economic block of Korea and the crossroads of a global logistics route, Busan envisions growing into an international financial city in Northeast Asia. Following the successful launch of the 63-story Busan International Finance Center in 2014, the second phase development of the Busan Financial Hub was completed in 2018 and is expected to provide world-class business infrastructure for financial institutions.

BIFC offers an attractive incentive package to global financial leaders and cooperation network of Busan Metropolitan City, Busan International Financial City Promotion Center, and Financial Hub Korea will support you to identify opportunities in Busan, one of the fastest developing cities in Asia.

Busan International Finance Center

BIFC is located in the center of Busan, 30 minutes from Gimhae International Airport, 15 minutes from Busan KTX station, and 30 minutes from the renowned Haeundae Beach area.

•Location: 40 Munhyeongeumyung-ro, Nam-gu, Busan, Korea		•Area: 102,352m ²	•Complex Development Project
Category	1st Phase	2nd Phase	3rd Phase
Land Size	24,856m ²	12,276m ²	10,293m ²
Application	Offices, commercial facilities	Offices, officetels, hotels, performance halls, commercial facilities, etc.	Creation of financial IT cluster
Construction Size	197,169m ² , 4 underground floors, 63 aboveground floors	183,132m ² , 7 underground floors, 49/36 aboveground floors (2 wings of a U shaped building)	
Project Period	April 2008 - June 2014	August 2015 - October 2018	
Development Status	Move-in completed in December 2014	Completed in Nov. 2018	

•Individual Development Project

	Technology Guarantee Fund	Busan HQ of Bank of Korea	Busan Bank
Size	2 underground floors, 15 aboveground floors	1 underground floor, 4 aboveground floors	3 underground floors, 23 aboveground floors
Groundbreaking / completion	Feb. 2009/May 2011	Jan. 2011/Jun. 2013	Dec. 2011/Jul. 2014

Institutions Residing in BIFC

Around 3,200 regular employees in 29 organizations as of June 2019

•Main Institutions in BIFC



Special Long-term Rent-free Provision of Landmark Space in BIFC

Busan Metropolitan City provides a long-term free lease for part of the top (63rd) floor of the Busan International Finance Center (BIFC) Building in the Munhyeon Finance Complex to financial institutions for 25 years.

► Applicable foreign institutions with sales base (HQ, regional HQ, branch etc.) located in Busan, are expected to benefit from cost-reduction and business expansion opportunity.

- Rental space will be provided free of charge for 25 years, after which it will be possible to continue renting at a low rate.
- Offer available for: Financial companies and international financial institutions
- **Rental area : The 63rd floor of the Busan International Finance Center (BIFC) Building** ► 165 m² each for three companies
 - Location : Busan International Finance Center, Munhyeon Geumyoong-ro 40, Nam-gu, Busan
 - If more than three companies wish to move in, the successful companies will be selected after being evaluated by Busan Metropolitan City.
- **Savings : Annual KRW 60 million x 25 years = KRW 1.5 billion (for each 165m² area)**
 - Corporate income tax and individual income tax exemption: 100% for 3 years and 50% for next two years (Establishing in Busan) / property tax exemption for five years (Relocating from Seoul and other metropolitan areas to Busan)

[Introduction to the Busan International Finance Center (BIFC)]

► **(BIFC I *) Six headquarters of major institutions** (Korea Exchange, Korea Securities Depository, Korea Asset Management Corporation, Korea Housing Finance Corporation, Korea Housing & Urban Guarantee Corporation and Korea Southern Power Company) and **24 other institutions are currently residing in all of other 62 floors**

* Busan International Finance Center

- (Individual Building) Korea Technology Finance Corporation, The Bank of Korea Busan Branch and BNK Busan Bank

► **(BIFC II)** Comprising two building (49 floors and 36 floors) consisting of offices, a hotel, commercial facilities; completed in November, 2018

- Musical theater (opened in April, 2019), U-Space BIFC a fintech Hub Center (opened in October, 2019 and 34 companies are residing), Busan Securities Museum (opened in December, 2019), technology finance companies, and etc. will reside here

► **(BIFC III)** Currently in the planning stage (scheduled to start construction in 2020)

If you are interested in this offer, please contact us at bifc@bepa.kr with a brief introduction of your company.

Why Busan

Busan provide attractive incentive package to grow into the world-leading financial centre. The package includes tax breaks and subsidies.

Abundant business opportunities

- Business opportunities from maritime cluster
- Pivotal city in southeast economic block: shipbuilding, automobile, machinery
- Diverse regional development projects: East Busan Tourism Complex, North Port Redevelopment Project

Rich Talent Pool with Excellent Financial Prowess

- Around 1,900 graduates from 15 colleges every year

World-class ICT City

- Cloud data center complex (LG CNS Busan Global Cloud Data Center)
- Fast and efficient mobile office environment
- Mobile App Center ▷ Busan IT Industry Promotion Agency, sub centers in 6 universities
- Amazon Web Services and Cloud Innovation Center established in Sep. 2016
- Microsoft Asia Hub Data Center expected to open

Foreign Financial Institutions

Types	Targets	Description			
		Establishment of HQ or regional HQ	Establishment of branch	Relocation of HQ or regional HQ within Korea	Relocation of branch within Korea
		Overseas ▷ Busan		Other city ▷ Busan	
Corporate Tax / Income Tax	Financial institution with an investment of over 2 billion KRW and more than 10 regular workers	100% tax exemption for 3 years from the first tax year when the first income is made, 50% for the next 2 years		Not applicable	
Property Tax		100% tax exemption for 3 years from the first date when tax liability is formed		Not applicable	
Acquisition Tax		100% tax exemption for acquired property within 15 years from establishment date of business		Not applicable	
Entrance Subsidy	Financial institution which establishes Regional Headquarters managing more than 3 countries, or Headquarters	Up to 50% of the expenses to purchase land or buildings or rent (Up to 5 billion Won per institution)	Not applicable	Up to 50% of the expenses to purchase land or buildings or rent (Up to 5 billion Won per institution)	Not applicable
Employment Subsidy	Financial institution with more than 10 regular workers for the last 3 months	Up to 600,000 Won per new employee after movement to BIFC (for up to 6 months, up to 200 million Won per institution)			
Education/ Training Subsidy	Financial institution with training for more than 1 month to recruit more than 10 Korean employees	Up to 600,000 Won per new employee after movement to BIFC (for up to 6 months, up to 200 million Won per institution)			
Business Facility Installation Subsidy	Financial institution with more than 10 regular Korean employees	Up to 10% of the expenses required for installation of business facilities (up to 1 billion Won per institution)			
Types	Targets	Benefitting businesses	Subsidy	Subsidy cap	
Producer Service Subsidy	Financial institution (including insurance, pensions) and related services newly relocate or expand into Busan with more than 20 regular Korean employees	Service companies and business support companies engaged in finance, insurance, and pension	Up to 50% of yearly rent (Up to 200 million Won per institution)	200 million Won	
			Up to 30% of the expenses required for installation of business facilities and equipment (Up to 300 million Won per institution)	300 million Won	

※ Relevant laws

- 1) Article 121(21) of the Restriction of Special Taxation Act and Article 116(26) of the Enforcement Decree thereof
- 2) Article 7(1) of the Busan Metropolitan City Namgu District Office Tax Reduction Ordinance (Article 121(21-3))
- 3) Article 12(2) of the Busan Metropolitan City Tax Reduction Ordinance
- 4) Busan Metropolitan City Ordinance on Financial Industry Promotion (Article 5, 6, 7, 8, and 12)

关于釜山国际金融中心 地标空间长期无偿提供的介绍

釜山市计划将位于門岷金融园区内的釜山国际金融中心(BIFC)最高层(63F)中的一部分空间长期无偿租赁给外国金融机构,为期25年。

▶ 总部, 地区总部, 分店 设在釜山, 有望达到扩大营业范围、减少租金等费用的效果

釜山市提供的特别鼓励内容

- (主要内容) 提供为期25年的免费空间租赁, 25年后可低价租赁
- (对象) 金融公司和 国际金融机构
- (租赁空间) **釜山国际金融中心 (BIFC) 63层的部分区域** ▶ 3家公司各提供165m²
 - 位置: 釜山市南区門岷金融路40号釜山国际金融中心
 - 申请入驻的企业较多时, 入驻企业将会通过釜山市审查后选定
- (费用节省效果) **每年6千万韩元 x 25年= 15亿韩元(实际使用面积为165m²时)**
 - 法人税及所得税减免: 3年100% 之后2年50%(新设立法人公司) / 免除财产税5年(从韩国首都圈迁移到地方的情况)

[参考] 釜山国际金融中心 (BIFC)

▶ (BIFC I*)

韩国交易所、韩国证券存管公司、韩国资产管理公社, 韩国住宅金融公社, 住宅城市保证社, 韩国南部发电
6所机关总部 及24 所机关已入驻(62个楼层已完成入驻)

* Busan International Finance Center

- (个别建筑) 韩国技术保证基金、韩国银行本部、BNK釜山银行

▶ (BIFC II) 办公室、酒店、商业设施等由2栋49层及36层组成, 2018年11月竣工。

- 音乐剧专用剧场(2019年4月开馆), U-Space BIFC, 金融科技中心(2019年10月, U-Space BIFC 中有34 家公司), 釜山証券博物館(2019年 12月)。

▶ (BIFC III) 规划制定中(预计2020年开工)

对本次优惠感兴趣的企业请进行简单的企业介绍, 并回复 bifc@bepa.kr

为何选择釜山

釜山为了促进其发展成为国际性金融中心，对于迁至釜山或新设金融机构提供减免税金和补贴等差别化优惠服务。

多样化的商机

- 海洋、衍生集成化带来的商机
- 东南经济中枢城市：造船、汽车、机械产业
- 区域内多种开发项目：东部山旅游区、北航再开发项目

丰富的国际水平金融专业人才

- 每年从15所大学培养1,900名专业人才。

国际水平的IT城市

- 云数据中心园区 (LG CNS釜山国际云数据中心)
- 可以随时随地利用IT技术快速处理业务
- 运营手机APP中心 ▷ 釜山信息产业振兴院，六所地方大学 (区域次中心)
- 成立亚马逊云计算服务创意中心 (2016年9月)
- 计划成立微软亚洲枢纽数据中心

差别化的鼓励政策

分类	扶持对象	详细内容			
		新建总公司/地方总部	新建分店	韩国国内总公司/地方总部迁移	韩国国内分店迁移
		国外▷釜山		其他地区▷釜山	
法人税 ¹⁾ 所得税 ¹⁾	投资金额在20亿韩元以上，且劳动合同期限超过3个月的员工在10名以上的金融机构	从首次获得所得的征税年度起3年内100%免税，此两年内减免50%。		无	
财产税 ^{1) 2)}		从纳税义务首次发生的日期起3年内100%免税		无	
取得税 ^{1) 3)}		从创业 (或新建营业场所) 日期起15年内，对所取得财产的取得说，100%免税		无	
用地和建筑补贴 ⁴⁾	管理3个国家以上的地方总部或韩国总公司	用地和建筑的购买费用或租借费用减免50% (每个机构限于50亿韩元)	无	用地和建筑的购买费用或租借费用减免50% (每个机构限于50亿韩元)	无
雇佣补贴 ⁴⁾	最近3个月劳动合同期限超过3个月的员工在10名以上的金融机构	迁移后，对每个新雇员的补贴限于60万韩元 (最长6个月内，每个机构补贴限于2亿韩元内)			
培训补贴 ⁴⁾	为雇用10名以上的本国人，进行1个月以上培训的金融机构	迁移后，对每个新雇员培训的补贴限于60万韩元 (最长6个月内，每个机构补贴限于2亿韩元内)			
商务设施安装资金 ⁴⁾	雇用劳动合同期限超过3个月的本国员工的金融机构	安装商务设施业务所需资金的10%以内 (每个机构补贴限于10亿韩元)			

分类	扶持对象	扶持行业	扶持规模	扶持限度
生产者服务业补贴	向市区内转移或扩建的企业 *中长期雇佣人员超过20名的情况	依据韩国标准产业分类标准所划分的金融业、保险及年金业、金融与保险相关服务业及事业支援服务行业	转移或扩建企业全年建筑租金或相当于建筑租金金额的50%	2亿韩元
			转移或扩建企业的设施、装备安装费的30%	3亿韩元

※根据法

- 1) 税收特例限制法第121条之21及该法执行令第116条之26
- 2) 釜山广域市南区减免条例第7条第1项 (依据税收特例限制法第121条之21第3项)
- 3) 釜山广域市减免条例第12条之2 (依据税收特例限制法第121条之21第3项)
- 4) 釜山广域市金融产业培育相关条例 (第5条、第6条、第7条、第8条、第12条)