



IMD World Competitiveness Yearbook 2022

COUNTRY  
PROFILE

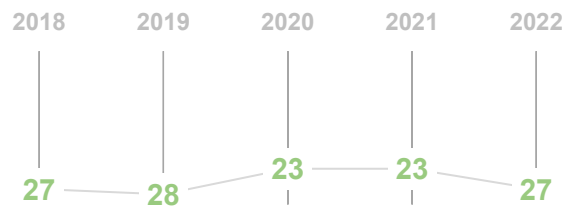
**KOREA REP**



# Korea Rep.

## Competitiveness Trends – Overall

### OVERALL PERFORMANCE (63 countries)



### CHALLENGES IN 2022

- Promote digital and green transformation.
- Prepare for a new geopolitical era.
- Foster inclusive growth as the COVID-19 crisis recedes.
- Handle the inflation uncertainty and its economic impact.
- Integrate ESG practices into the economic system.

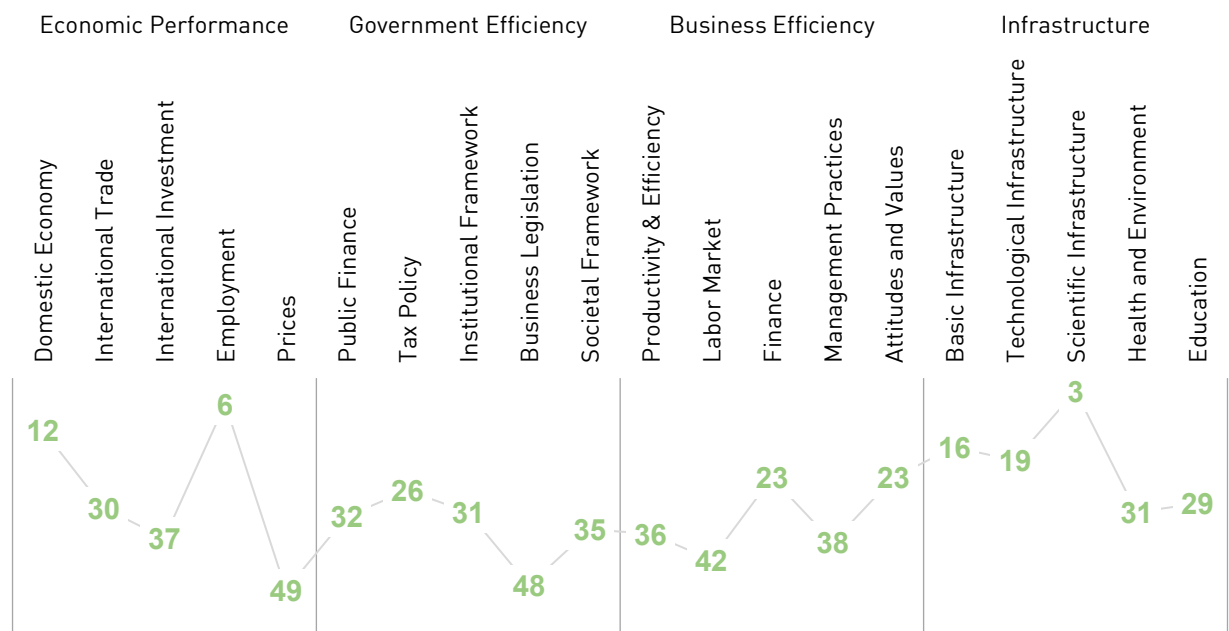
### BASIC FACTS

Rank

Indicator	Value	Year	Rank
Capital	Seoul		
Land area (square km '000)	100	2021	
Exchange Rate (per \$)	1.144	2021	
Population - market size (millions)	51.68	2021	16
Gross Domestic Product (GDP) (US\$ billions)	1,798.5	2021	10
GDP (PPP) per capita (US\$)	48,578	2021	25
Real GDP growth (%)	4.0	2021	45
Consumer price inflation (%)	2.50	2021	24
Unemployment rate (%)	3.70	2021	10
Labor force (millions)	28.31	2021	14
Current account balance (% of GDP)	4.91	2021	16
Direct investment stocks inward (\$bn)	264.9	2020	24
Direct investment flows inward (% of GDP)	0.54	2020	48

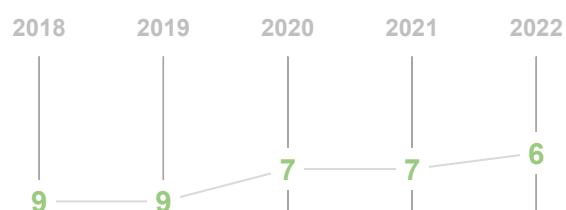
PROVIDED BY: Korea Institute for International Economic Policy

### COMPETITIVENESS LANDSCAPE

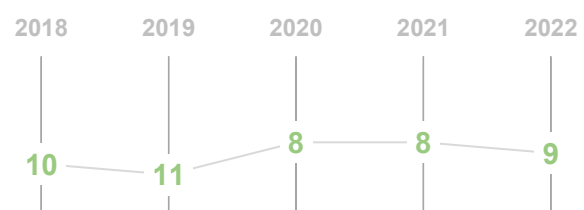


### PEER GROUPS RANKINGS

#### ASIA - PACIFIC (14 countries)



#### POPULATIONS > 20 MILLION (27 countries)



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## Competitiveness Evolution & Attractiveness Indicators

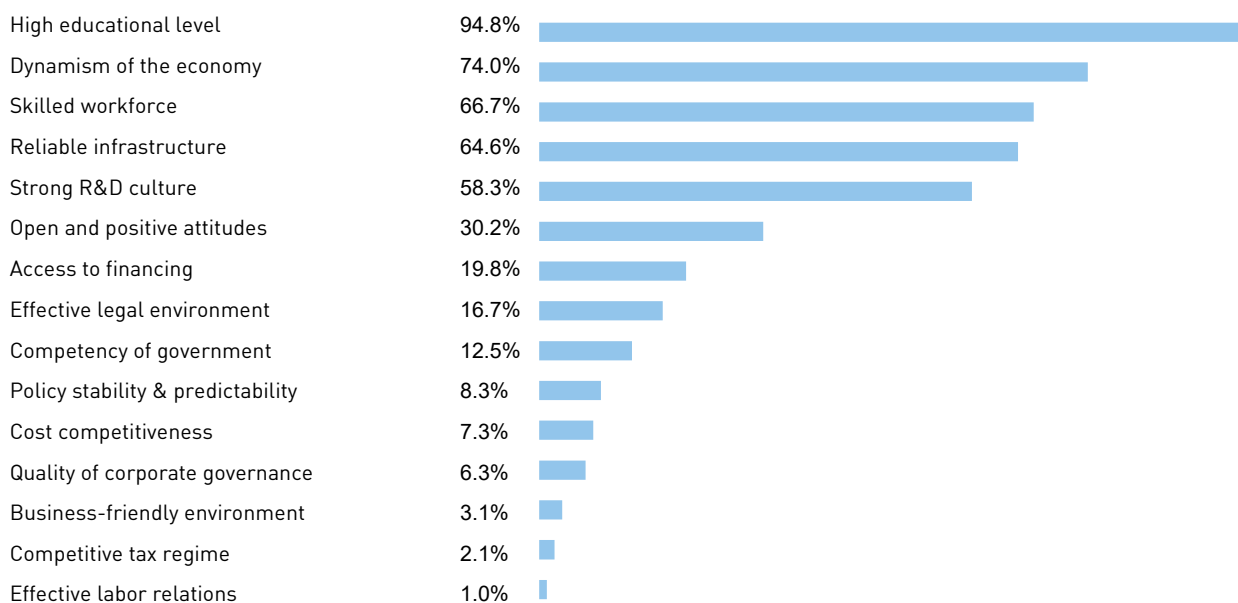
### COMPETITIVENESS EVOLUTION

The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one yearbook to the next.

IMPROVEMENTS	WCY 2021	WCY 2022	DECLINES	WCY 2021	WCY 2022
1.1.14 Real GDP growth	-1.0	4.0	1.5.01 Consumer price inflation	0.54	2.50
1.1.15 Real GDP growth per capita	-1.09	4.22	4.1.07 Population - growth	0.14	-0.19
2.3.08 Exchange rate stability	0.055	0.012	1.4.08 Long-term unemployment	0.02	0.05
2.1.02 Government budget surplus/deficit (%)	-2.80	-0.64	1.2.25 Tourism receipts	1.31	0.63
3.4.13 Entrepreneurial fear of failure	32.82	14.72	2.4.07 Government subsidies	5.37	6.87
1.4.04 Employment - long-term growth	0.77	1.09	1.5.04 Office rent	551	657
1.2.12 Exports of commercial services (\$bn)	89.35	120.42	1.3.13 Relocation threats of business	3.63	3.02
2.3.12 Bureaucracy	1.50	1.92	1.2.18 Export concentration by product	53.2	61.3
3.4.11 Women in management	12.32	15.65	4.5.17 University education index	17.81	15.38
1.2.08 Exports of goods (\$bn)	512.50	644.40	4.4.27 Environmental laws	5.87	5.21
2.3.11 Transparency	3.70	4.56	4.2.09 Digital/Technological skills	6.95	6.19
1.2.13 Exports of commercial services (%)	5.48	6.70	3.4.09 Entrepreneurship	6.00	5.35
4.4.18 Renewable energies (%)	1.7	2.0	3.4.14 Total early-stage Entrepreneurial Activity	14.94	13.39
1.4.09 Youth unemployment	10.50	8.50	3.2.01 Compensation levels	20.25	22.31
4.5.09 Student mobility inbound	1.64	1.91	2.2.02 Collected personal income tax	4.78	5.24

### KEY ATTRACTIVENESS INDICATORS

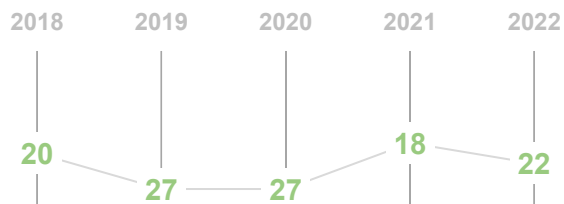
From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



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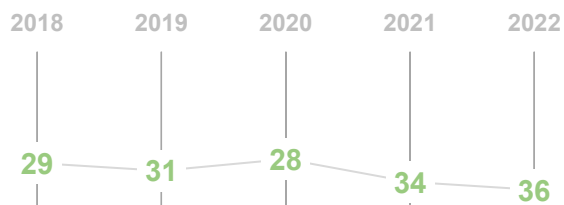
## Competitiveness Trends – Factor Breakdown

### ECONOMIC PERFORMANCE



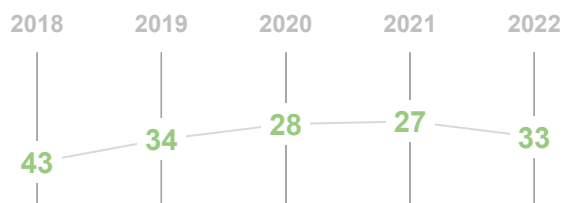
SUB-FACTOR RANKINGS :	2021	2022
Domestic Economy	05	12
International Trade	33	30
International Investment	34	37
Employment	05	06
Prices	51	49

### GOVERNMENT EFFICIENCY



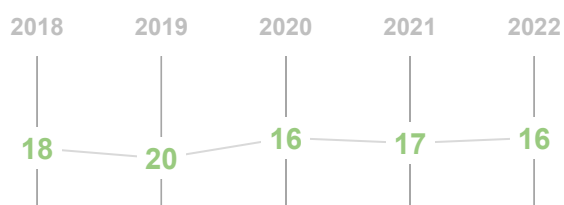
SUB-FACTOR RANKINGS :	2021	2022
Public Finance	26	32
Tax Policy	25	26
Institutional Framework	30	31
Business Legislation	49	48
Societal Framework	33	35

### BUSINESS EFFICIENCY



SUB-FACTOR RANKINGS :	2021	2022
Productivity & Efficiency	31	36
Labor Market	37	42
Finance	23	23
Management Practices	30	38
Attitudes and Values	21	23

### INFRASTRUCTURE



SUB-FACTOR RANKINGS :	2021	2022
Basic Infrastructure	18	16
Technological Infrastructure	17	19
Scientific Infrastructure	02	03
Health and Environment	30	31
Education	30	29

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## Balance Sheet – Factor Breakdown

### ECONOMIC PERFORMANCE

STRENGTHS		Rank	WEAKNESSES		Rank
1.4.08	Long-term unemployment	03	1.3.13	Relocation threats of business	63
1.1.09	Gross fixed capital formation (%)	03	1.3.08	Direct investment stocks inward (% of GDP)	61
1.1.13	Economic complexity index	05	1.5.02	Cost-of-living index	55
1.2.08	Exports of goods (\$bn)	07	1.2.24	Terms of trade index	51
1.5.05	Food costs	10	1.3.06	Direct investment flows inward (% of GDP)	48
1.4.07	Unemployment rate	10	1.2.17	Export concentration by partner	46
1.3.01	Direct investment flows abroad (\$bn)	11	1.1.14	Real GDP growth	45
1.4.09	Youth unemployment	12	1.1.18	Gross fixed capital formation - real growth	45
1.4.02	Employment (%)	12	1.5.04	Office rent	45
1.2.12	Exports of commercial services (\$bn)	14	1.2.18	Export concentration by product	44

### GOVERNMENT EFFICIENCY

STRENGTHS		Rank	WEAKNESSES		Rank
2.3.08	Exchange rate stability	03	2.1.08	Tax evasion	62
2.4.17	Unemployment legislation	05	2.4.07	Government subsidies	59
2.4.15	Start-up procedures	06	2.3.09	Legal and regulatory framework	59
2.1.02	Government budget surplus/deficit (%)	09	2.4.01	Tariff barriers	58
2.2.08	Consumption tax rate	11	2.3.12	Bureaucracy	57
2.3.03	Interest rate spread	11	2.4.19	Redundancy costs	54
2.5.02	Homicide	12	2.5.15	Disposable Income	54
2.3.07	Foreign currency reserves per capita	14	2.4.09	State ownership of enterprises	52
2.3.16	Democracy Index	15	2.4.11	Parallel economy	52
2.3.04	Country credit rating	17	2.5.11	Equal opportunity	50

### BUSINESS EFFICIENCY

STRENGTHS		Rank	WEAKNESSES		Rank
3.4.13	Entrepreneurial fear of failure	02	3.4.05	Corporate boards	61
3.5.02	Image abroad or branding	05	3.1.09	Small and medium-size enterprises	59
3.3.01	Banking sector assets	08	3.4.04	Credibility of managers	59
3.5.01	Attitudes toward globalization	11	3.2.23	International experience	59
3.2.12	Labor force (%)	11	3.3.14	Shareholders' rights	57
3.5.05	Need for economic and social reforms	12	3.2.24	Competent senior managers	56
3.4.08	Customer satisfaction	13	3.4.11	Women in management	53
3.1.10	Use of digital tools and technologies	13	3.4.06	Auditing and accounting practices	53
3.3.10	Stock market capitalization (%)	14	3.2.07	Worker motivation	52
3.4.01	Agility of companies	16	3.1.07	Workforce productivity	51

### INFRASTRUCTURE

STRENGTHS		Rank	WEAKNESSES		Rank
4.3.10	Researchers in R&D per capita	01	4.4.24	Environmental agreements	55
4.3.05	Business expenditure on R&D (%)	02	4.4.18	Renewable energies (%)	55
4.3.02	Total expenditure on R&D (%)	02	4.2.03	Mobile Telephone costs	54
4.3.16	Patent applications per capita	02	4.4.17	Exposure to particle pollution	53
4.3.07	Total R&D personnel per capita	03	4.4.27	Environmental laws	50
4.4.05	Universal health coverage index	03	4.1.07	Population - growth	50
4.4.23	Environment-related technologies	04	4.2.12	Development & application of tech.	48
4.5.07	Higher education achievement	04	4.4.19	Forest area growth	48
4.3.18	Number of patents in force	04	4.5.15	University education	46
4.4.06	Life expectancy at birth	04	4.5.16	Management education	46

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## Extended Country Profile

### 1 - Economic Performance

#### 1.1 - Domestic Economy

	Value	Average	Rank	Year
1.1.00 - Exchange Rate National currency per US\$ (average)	1.144	21,532.090		2021
1.1.01 - Gross Domestic Product (GDP) US\$ billions	1,798.5	1,394.4	10	2021
1.1.02 - GDP (PPP) Estimates ; US\$ billions at purchasing power parity	2,510.5	1,981.9	13	2021
1.1.03 - World GDP contribution Percentage share of world GDP in market prices	1.87	1.44	10	2021
1.1.04 - Household consumption expenditure (\$bn) US\$ billions	801.7	735.2	13	2021
1.1.05 - Household consumption expenditure (%) Percentage of GDP	44.6	53.4	52	2021
1.1.06 - Government consumption expenditure (\$bn) US\$ billions	327.5	232.9	11	2021
1.1.07 - Government consumption expenditure (%) Percentage of GDP	18.2	18.3	33	2021
1.1.08 - Gross fixed capital formation (\$bn) US\$ billions	564.9	351.9	7	2021
1.1.09 - Gross fixed capital formation (%) Percentage of GDP	31.4	22.7	3	2021
1.1.10 - Gross domestic savings (\$bn) US\$ billions	669.4	379.1	7	2021
1.1.11 - Gross domestic savings (%) Percentage of GDP	37.2	28.3	13	2021
1.1.12 - Economic sectors Breakdown of the economic sectors, percentage of GDP				2021
Economic sectors / Agriculture	2.0	3.7		2021
Economic sectors / Industry	35.5	29.1		2021
Economic sectors / Services	62.5	67.0		2021
1.1.13 - Economic complexity index Measures knowledge intensity, by considering exports	1.90	0.86	5	2019
1.1.14 - Real GDP growth Percentage change, based on national currency in constant prices	4.0	5.6	45	2021
1.1.15 - Real GDP growth per capita Percentage change, based on national currency in constant prices	4.22	5.35	41	2021
1.1.16 - Household consumption expenditure - real growth Percentage change, based on constant prices	3.67	4.78	42	2021
1.1.17 - Government consumption expenditure - real growth Percentage change, based on constant prices	5.53	4.01	18	2021
1.1.18 - Gross fixed capital formation - real growth Percentage change, based on constant prices	2.56	6.32	45	2021
1.1.19 - Resilience of the economy Resilience of the economy to economic cycles is strong	6.63	5.88	22	2022
1.1.20 - GDP per capita US\$ per capita	34,801	34,279	26	2021
1.1.21 - GDP (PPP) per capita Estimates; US\$ per capita at purchasing power parity	48,578	44,580	25	2021
1.1.22 - Forecast: Real GDP growth Percentage change, based on national currency in constant prices	2.5	3.7	48	2022
1.1.23 - Forecast: Inflation Percentage change	4.0	38.4	23	2022
1.1.24 - Forecast: Unemployment Percentage of total labor force	3.6	6.3	12	2022
1.1.25 - Forecast: Current account balance Percentage of GDP	2.2	1.7	20	2022



## 1.2 · International Trade

Value Average Rank Year

1.2.01 · Current account balance (\$bn) US\$ billions (minus sign = deficit)	88.3	10.4	6	2021
1.2.02 · Current account balance Percentage of GDP	4.91	1.64	16	2021
1.2.03 · Balance of trade (\$bn) US\$ billions (minus sign = deficit)	29.3	-2.5	18	2021
1.2.04 · Balance of trade (%) Percentage of GDP	1.63	0.27	25	2021
1.2.05 · Balance of commercial services (\$bn) US\$ billions (minus sign = deficit)	-2.45	8.39	41	2021
1.2.06 · Balance of commercial services (%) Percentage of GDP	-0.14	1.84	38	2021
1.2.07 · World exports contribution Percentage share of world exports (goods and commercial services)	2.71	1.45	8	2021
1.2.08 · Exports of goods (\$bn) US\$ billions	644.40	321.20	7	2021
1.2.09 · Exports of goods (%) Percentage of GDP	35.83	41.98	27	2021
1.2.10 · Exports of goods per capita US\$ per capita	12,469	15,049	27	2021
1.2.11 · Exports of goods - growth Percentage change, based on US\$ values	25.74	27.30	31	2021
1.2.12 · Exports of commercial services (\$bn) US\$ billions	120.42	88.34	14	2021
1.2.13 · Exports of commercial services (%) Percentage of GDP	6.70	15.10	40	2021
1.2.14 · Exports of commercial services - growth Percentage change, based on US\$ values	35.54	17.14	9	2021
1.2.15 · Exports of goods & commercial services US\$ billions	764.82	408.43	8	2021
1.2.16 · Exports breakdown by economic sector Percentage of total exports				2020
Exports breakdown by economic sector / Agriculture	2.1	11.3		2020
Exports breakdown by economic sector / Industry	83.1	64.4		2020
Exports breakdown by economic sector / Services	14.8	24.3		2020
1.2.17 · Export concentration by partner Exports to top 5 countries, percentage of total exports	60.7	55.0	46	2020
1.2.18 · Export concentration by product Top 5 products, percentage of total exports	61.3	57.6	44	2020
1.2.19 · Imports of goods & commercial services (\$bn) US\$ billions	738.0	402.5	54	2021
1.2.20 · Imports of goods & commercial services (%) Percentage of GDP	41.0	54.7	28	2021
1.2.21 · Imports of goods & commerc. services growth Percentage change, based on US\$ values	29.34	24.33	42	2021
1.2.22 · Imports breakdown by economic sector Percentage of total imports				2020
Imports breakdown by economic sector / Agriculture	6.4	9.0		2020
Imports breakdown by economic sector / Industry	75.5	67.7		2020
Imports breakdown by economic sector / Services	18.0	23.3		2020
1.2.23 · Trade to GDP ratio (Exports + Imports) / GDP	71.55	102.61	35	2020
1.2.24 · Terms of trade index Unit value of exports over unit value of imports	95.0	99.4	51	2020
1.2.25 · Tourism receipts International tourism receipts as a percentage of GDP	0.63	1.54	43	2020

### 1.3 · International Investment

Value Average Rank Year

1.3.01 · Direct investment flows abroad (\$bn) US\$ billions	34.83	14.96	11	2020
1.3.02 · Direct investment flows abroad (% of GDP) Percentage of GDP	2.13	4.62	15	2020
1.3.03 · Direct investment stocks abroad (\$bn) US\$ billions	500.9	612.1	18	2020
1.3.04 · Direct investment stocks abroad (% of GDP) Percentage of GDP	30.58	109.57	33	2020
1.3.05 · Direct investment flows inward (\$bn) US\$ billions	8.76	16.61	23	2020
1.3.06 · Direct investment flows inward (% of GDP) Percentage of GDP	0.54	4.86	48	2020
1.3.07 · Direct investment stocks inward (\$bn) US\$ billions	264.9	613.9	24	2020
1.3.08 · Direct investment stocks inward (% of GDP) Percentage of GDP	16.17	122.21	61	2020
1.3.09 · Balance of direct investment flows (\$bn) US\$ billions (flows abroad minus flows inward)	26.07	-1.64	6	2020
1.3.10 · Balance of direct investment flows (%) Percentage of GDP (flows abroad minus flows inward)	1.59	-0.24	12	2020
1.3.11 · Net position in direct investment stocks (\$bn) US\$ billions (stocks abroad minus stocks inward)	236.0	-1.8	9	2020
1.3.12 · Net position in direct investment stocks (%) Percentage of GDP (stocks abroad minus stocks inward)	14.41	-12.64	14	2020
1.3.13 · Relocation threats of business Relocation of business is not a threat to the future of your economy	3.02	5.36	63	2022
1.3.14 · Portfolio investment assets US\$ billions	58.91	38.51	14	2020
1.3.15 · Portfolio investment liabilities US\$ billions	17.16	34.92	16	2020

### 1.4 · Employment

Value Average Rank Year

1.4.01 · Employment Total employment in millions	27.27	38.16	14	2021
1.4.02 · Employment (%) Percentage of population	52.77	47.14	12	2021
1.4.03 · Employment - growth Estimates: percentage change	1.37	1.54	28	2021
1.4.04 · Employment - long-term growth Estimates: five year percentage change	1.09	-0.41	30	2021
1.4.05 · Employment by sector Percentage of total employment				2021
Employment by sector / Agriculture	5.3	7.7		2021
Employment by sector / Industry	24.6	23.5		2021
Employment by sector / Services	70.1	68.8		2021
1.4.06 · Employment in the public sector Percentage of total employment	10.00	17.83	14	2020
1.4.07 · Unemployment rate Percentage of labor force	3.70	8.00	10	2021
1.4.08 · Long-term unemployment Percentage of labor force	0.05	2.81	3	2021
1.4.09 · Youth unemployment Percentage of youth labor force (under the age of 25)	8.50	17.13	12	2021
1.4.10 · Youth exclusion Share of youth population (15-24) not in education, employment or training	13.6	14.6	34	2019



## 1.5 · Prices

Value Average Rank Year

<b>1.5.01 · Consumer price inflation</b>	2.50	29.25	24	2021
Average annual rate				
<b>1.5.02 · Cost-of-living index</b>	104.60	78.37	55	2021
Index of a basket of goods & services in the main city, including housing (New York City = 100)				
<b>1.5.03 · Apartment rent</b>	1,677	1,530	36	2018
3-room apartment monthly rent in major cities, US\$				
<b>1.5.04 · Office rent</b>	657	656	45	2021
Total occupation cost in the main city (US\$/Sq.M. per year)				
<b>1.5.05 · Food costs</b>	11.43	17.58	10	2021
Percentage of household final consumption expenditures				
<b>1.5.06 · Gasoline prices</b>	1.54	1.26	43	2021
Premium unleaded gasoline (95 Ron) US\$ per litre				

# KOREA REP.

## Extended Country Profile

### 2 · Government Efficiency

#### 2.1 · Public Finance

	Value	Average	Rank	Year
2.1.01 · Government budget surplus/deficit (\$bn) US\$ billions	-11.50	-91.93	28	2021
2.1.02 · Government budget surplus/deficit (%) Percentage of GDP	-0.64	-4.00	9	2021
2.1.03 · Total general government debt (\$bn) US\$ billions	895.14	1,436.31	50	2021
2.1.04 · Total general government debt (%) Percentage of GDP	49.77	71.59	22	2021
2.1.05 · Total general government debt-real growth Percentage change, based on national currency in constant prices	5.71	8.58	34	2021
2.1.06 · Interest payment (%) Percentage of current revenue	3.57	5.98	31	2021
2.1.07 · Public finances Public finances are being efficiently managed	4.35	4.92	40	2022
2.1.08 · Tax evasion Tax evasion is not a threat to your economy	2.27	5.05	62	2022
2.1.09 · Pension funding Pension funding is adequately addressed for the future	3.81	4.77	50	2022
2.1.10 · General government expenditure Percentage of GDP	27.6	38.2	18	2021

#### 2.2 · Tax Policy

	Value	Average	Rank	Year
2.2.01 · Collected total tax revenues Percentage of GDP	27.85	27.09	29	2020
2.2.02 · Collected personal income tax On profits, income and capital gains, as a percentage of GDP	5.24	6.00	31	2020
2.2.03 · Collected corporate taxes On profits, income and capital gains, as a percentage of GDP	3.38	2.70	47	2020
2.2.04 · Collected indirect tax revenues Taxes on goods and services as a percentage of GDP	6.79	9.41	18	2020
2.2.05 · Collected capital and property taxes Percentage of GDP	3.96	1.47	60	2020
2.2.06 · Collected social security contribution Compulsory contribution of employees and employers as a percentage of GDP	7.80	7.28	33	2020
2.2.07 · Corporate tax rate on profit Maximum tax rate, calculated on profit before tax	25.00	22.34	39	2021
2.2.08 · Consumption tax rate Standard rate of VAT/GST	10.00	16.37	11	2021
2.2.09 · Employer social security tax rate %	10.1	16.0	22	2021
2.2.10 · Employee social security tax rate %	9.1	10.4	29	2021
2.2.11 · Real personal taxes Real personal taxes do not discourage people from working or seeking advancement	3.94	5.12	48	2022

## 2.3 · Institutional Framework

Value Average Rank Year

2.3.01 · Real short-term interest rate Real discount / bank rate	-2.19	-3.07	33	2021
2.3.02 · Cost of capital Cost of capital encourages business development	5.20	5.63	44	2022
2.3.03 · Interest rate spread Lending rate minus deposit rate	1.69	3.49	11	2021
2.3.04 · Country credit rating Index (0-60) of three country credit ratings: Fitch, Moody's and S&P	53.0	43.0	17	2021
2.3.05 · Central bank policy Central bank policy has a positive impact on the economy	6.65	6.31	28	2022
2.3.06 · Foreign currency reserves US\$ billions	461.96	216.77	7	2021
2.3.07 · Foreign currency reserves per capita US\$ per capita	8,939	9,199	14	2021
2.3.08 · Exchange rate stability Parity change from national currency to SDR, 2021 / 2019	0.012	0.072	3	2021
2.3.09 · Legal and regulatory framework The legal and regulatory framework encourages the competitiveness of enterprises	2.92	5.37	59	2022
2.3.10 · Adaptability of government policy Adaptability of government policy to changes in the economy is high	3.92	4.83	46	2022
2.3.11 · Transparency Transparency of government policy is satisfactory	4.56	4.87	38	2022
2.3.12 · Bureaucracy Bureaucracy does not hinder business activity	1.92	3.72	57	2022
2.3.13 · Bribery and corruption Bribery and corruption do not exist	4.48	4.77	33	2022
2.3.14 · Rule of law Rule of Law Index	84.62	72.47	25	2020
2.3.15 · Sustainable Development Goals Country performance on the 17 SDGs	78.6	75.1	27	2021
2.3.16 · Democracy Index EIU Overall Democracy Index, © The Economist Intelligence Unit Limited 2021	8.16	6.97	15	2021

## 2.4 · Business Legislation

Value Average Rank Year

<b>2.4.01 · Tariff barriers</b>	5.48	2.32	58	2020
Tariffs on imports: Applied weighted mean tariff rate for all products				
<b>2.4.02 · Protectionism</b>	5.02	5.74	44	2022
Protectionism of your government does not impair the conduct of your business				
<b>2.4.03 · Public sector contracts</b>	5.46	5.96	44	2022
Public sector contracts are sufficiently open to foreign bidders				
<b>2.4.04 · Foreign investors</b>	6.19	6.82	43	2022
Foreign investors are free to acquire control in domestic companies				
<b>2.4.05 · Capital markets</b>	7.25	6.57	25	2022
Capital markets (foreign and domestic) are easily accessible				
<b>2.4.06 · Investment incentives</b>	6.38	5.93	28	2022
Investment incentives are attractive to foreign investors				
<b>2.4.07 · Government subsidies</b>	6.87	2.02	59	2020
To private and public companies as a percentage of GDP				
<b>2.4.08 · Subsidies</b>	5.46	5.52	35	2022
Subsidies do not distort fair competition and economic development				
<b>2.4.09 · State ownership of enterprises</b>	4.73	6.04	52	2022
State ownership of enterprises is not a threat to business activities				
<b>2.4.10 · Competition legislation</b>	5.96	5.84	34	2022
Competition legislation is efficient in preventing unfair competition				
<b>2.4.11 · Parallel economy</b>	3.46	5.14	52	2022
Parallel (black-market, unrecorded) economy does not impair economic development				
<b>2.4.12 · New business density</b>	2.6	5.8	41	2016
Registered new businesses per 1'000 people aged 15-64				
<b>2.4.13 · Creation of firms</b>	6.60	6.63	40	2022
Creation of firms is supported by legislation				
<b>2.4.14 · Start-up days</b>	8.0	15.1	26	2019
Number of days to start a business				
<b>2.4.15 · Start-up procedures</b>	3.0	6.0	6	2019
Number of procedures to start a business				
<b>2.4.16 · Labor regulations</b>	4.83	5.50	44	2022
Labor regulations (hiring/firing practices, minimum wages, etc.) do not hinder business activities				
<b>2.4.17 · Unemployment legislation</b>	6.53	4.99	5	2022
Unemployment legislation provides an incentive to look for work				
<b>2.4.18 · Immigration laws</b>	5.96	5.83	29	2022
Immigration laws do not prevent your company from employing foreign labor				
<b>2.4.19 · Redundancy costs</b>	23.1	9.4	54	2019
Number of weeks of salary				

## 2.5 · Societal Framework

Value Average Rank Year

<b>2.5.01 · Justice</b> Justice is fairly administered	4.98	5.72	42	2022
<b>2.5.02 · Homicide</b> Intentional homicide, rate per 100'000 population	0.60	4.28	12	2020
<b>2.5.03 · Ageing of population</b> Population over 65, percentage of total population	16.5	14.8	32	2021
<b>2.5.04 · Risk of political instability</b> The risk of political instability is very low	4.29	5.80	45	2022
<b>2.5.05 · Social cohesion</b> Social cohesion is high	5.13	5.68	44	2022
<b>2.5.06 · Gini coefficient</b> Equal distribution of income scale: 0 (absolute equality) to 100 (absolute inequality)	31.40	35.03	22	2016
<b>2.5.07 · Income distribution - lowest 10%</b> Percentage of household incomes going to lowest 10% of households	2.32	2.75		2019
<b>2.5.08 · Income distribution - highest 10%</b> Percentage of household incomes going to highest 10% of households	24.85	26.98		2019
<b>2.5.09 · Income distribution - lowest 40%</b> Percentile going to the lowest 40% of households	18.80	18.99	30	2019
<b>2.5.10 · Income distribution - lowest 40% growth</b> Percentile going to the lowest 40% of households - growth	2.17	0.34	9	2019
<b>2.5.11 · Equal opportunity</b> Equal opportunity legislation in your economy encourages economic development	5.33	6.17	50	2022
<b>2.5.12 · Females in parliament</b> Percentage of total seats in Parliament	19.00	29.11	47	2021
<b>2.5.13 · Unemployment rate - gender ratio</b> Ratio of the female and male unemployment rates	1.06	1.25	33	2021
<b>2.5.14 · Gender inequality</b> Gender Inequality Index (UNDP)	0.064	0.183	12	2019
<b>2.5.15 · Disposable Income</b> Female / male ratio	62.2	72.2	54	2021
<b>2.5.16 · Freedom of the Press</b> Reporters Without Borders: World Press Freedom Score	23.43	27.85	31	2021

# KOREA REP.

## Extended Country Profile

### 3 · Business Efficiency

#### 3.1 · Productivity & Efficiency

	Value	Average	Rank	Year
<b>3.1.01 · Overall productivity (PPP)</b> Estimates: GDP (PPP) per person employed, US\$	89,461	84,576	29	2021
<b>3.1.02 · Overall productivity (PPP) - real growth</b> Estimates: Percentage change of GDP (PPP) per person employed	4.19	2.84	23	2021
<b>3.1.03 · Labor productivity (PPP)</b> Estimates: GDP (PPP) per person employed per hour, US\$	45.80	48.28	34	2021
<b>3.1.04 · Agricultural productivity (PPP)</b> Estimates: Related GDP (PPP) per person employed in agriculture, US\$	34,438	55,834	42	2021
<b>3.1.05 · Productivity in industry (PPP)</b> Estimates: Related GDP (PPP) per person employed in industry, US\$	132,823	107,180	19	2021
<b>3.1.06 · Productivity in services (PPP)</b> Estimates: Related GDP (PPP) per person employed in services, US\$	82,129	86,235	37	2021
<b>3.1.07 · Workforce productivity</b> Workforce productivity is competitive by international standards	5.19	6.15	51	2022
<b>3.1.08 · Large corporations</b> Large corporations are efficient by international standards	6.58	6.67	35	2022
<b>3.1.09 · Small and medium-size enterprises</b> Small and medium-size enterprises are efficient by international standards	4.15	6.12	59	2022
<b>3.1.10 · Use of digital tools and technologies</b> Companies are very good at using digital tools and technologies to improve performance	7.08	6.29	13	2022



## 3.2 · Labor Market

Value Average Rank Year

3.2.01 · Compensation levels	22.31	15.09	42	2021
Total hourly compensation in manufacturing (wages + supplementary benefits), US\$				
3.2.02 · Unit labor costs for total economy	1.40	1.59	30	2021
Percentage change				
3.2.03 · Remuneration in services professions	24,963	28,619	31	2018
Gross annual income including supplements such as bonuses, US\$				
Remuneration in services professions / Call center agent	16,800	19,099		2018
Remuneration in services professions / Nurse	29,485	30,277		2018
Remuneration in services professions / Primary school	33,935	30,970		2018
Remuneration in services professions / Product Manager	29,190	49,302		2018
Remuneration in services professions / Sales Assistant	17,247	19,165		2018
Remuneration in services professions / Secretary / Personal	23,122	22,903		2018
3.2.04 · Remuneration of management	237,687	169,169	47	2019
Total base salary plus bonuses and long-term incentives, US\$				
Remuneration of management / CEO	462,559	306,535		2019
Remuneration of management / Director manufacturing	190,807	149,356		2019
Remuneration of management / Engineer	110,167	80,327		2019
Remuneration of management / Human resources director	187,215	140,455		2019
3.2.05 · Remuneration spread	21.01	17.99	39	2018
Ratio of CEO to personal assistant remuneration				
3.2.06 · Working hours	1,953	1,843	19	2021
Average number of working hours per year				
3.2.07 · Worker motivation	4.94	5.87	52	2022
Worker motivation in companies is high				
3.2.08 · Industrial disputes	9.72	12.21	36	2020
Working days lost per 1,000 inhabitants per year (average 2018-2020)				
3.2.09 · Apprenticeships	5.64	5.20	21	2022
Apprenticeships are sufficiently implemented				
3.2.10 · Employee training	6.10	6.03	34	2022
Employee training is a high priority in companies				
3.2.11 · Labor force	28.31	40.47	14	2021
Employed and registered unemployed (millions)				
3.2.12 · Labor force (%)	54.78	50.09	11	2021
Percentage of population				
3.2.13 · Labor force growth	1.06	1.18	29	2021
Percentage change				
3.2.14 · Labor force - long-term growth	1.23	-0.67	21	2021
Estimates: five year percentage change				
3.2.15 · Part-time employment	15.37	15.19	23	2020
Percentage of total employment				
3.2.16 · Female labor force	43.04	42.68	43	2021
Percentage of total labor force				
3.2.17 · Foreign labor force - migrant stock	4.06	17.76	48	2020
Migrant stock, age 20-64, % of population				
3.2.18 · Skilled labor	4.58	5.21	43	2022
Skilled labor is readily available				
3.2.19 · Finance skills	5.60	6.07	44	2022
Finance skills are readily available				
3.2.20 · Attracting and retaining talents	7.54	6.82	18	2022
Attracting and retaining talents is a priority in companies				
3.2.21 · Brain drain	4.81	4.93	33	2022
Brain drain (well-educated and skilled people) does not hinder competitiveness in your economy				
3.2.22 · Foreign highly-skilled personnel	4.15	5.39	49	2022
Foreign highly-skilled personnel are attracted to your country's business environment				
3.2.23 · International experience	4.32	5.62	59	2022
International experience of senior managers is generally significant				
3.2.24 · Competent senior managers	3.85	5.45	56	2022
Competent senior managers are readily available				

### 3.3 · Finance

Value Average Rank Year

3.3.01 · Banking sector assets Percentage of GDP	218.02	157.54	8	2020
3.3.02 · Financial cards in circulation Number of cards per capita	6.58	3.45	8	2021
3.3.03 · Financial card transactions US\$ per capita	17,010	11,334	14	2021
3.3.04 · Access to financial services Proportion of adults with a bank account or mobile-money-service provider	94.85	82.66	21	2017
3.3.05 · Access to financial services - gender ratio Ratio of the female and male access to a bank account or mobile-money-service provider	1.00	0.96	23	2017
3.3.06 · Banking and financial services Banking and financial services do support business activities efficiently	5.67	6.24	47	2022
3.3.07 · Regulatory compliance (banking laws) Regulatory compliance is sufficiently developed	6.83	6.92	35	2022
3.3.08 · Stock markets Stock markets provide adequate financing to companies	5.63	5.83	36	2022
3.3.09 · Stock market capitalization (\$bn) US\$ billions	2,307.5	1,470.4	12	2021
3.3.10 · Stock market capitalization (%) Percentage of GDP	128.30	105.47	14	2021
3.3.11 · Value traded on stock markets US\$ per capita	100,243	23,478	4	2020
3.3.12 · Listed domestic companies Number of listed domestic companies	2,318	718	8	2020
3.3.13 · Stock market index Percentage change on index in national currency	40.00	26.39	10	2021
3.3.14 · Shareholders' rights Shareholders' rights are sufficiently implemented	5.56	6.91	57	2022
3.3.15 · Initial Public Offerings By acquiror nation (average 2019-2021) US\$ millions	9,561.6	4,258.5	5	2021
3.3.16 · Credit Credit is easily available for business	5.96	6.05	39	2022
3.3.17 · Venture capital Venture capital is easily available for business	5.12	5.34	35	2022
3.3.18 · M&A Activity Deals per listed company (average 2018-2020)	0.575	1.193	30	2020
3.3.19 · Corporate debt Corporate debt does not restrain the ability of enterprises to compete	5.13	5.83	44	2022

3.4 · Management Practices	Value	Average	Rank	Year
3.4.01 · Agility of companies Companies are agile	6.69	6.08	16	2022
3.4.02 · Changing market conditions Companies are generally extremely aware of changing market conditions	6.94	6.69	26	2022
3.4.03 · Opportunities and threats Companies are very good at responding quickly to opportunities and threats	6.21	6.29	35	2022
3.4.04 · Credibility of managers Credibility of managers in society is strong	4.92	6.15	59	2022
3.4.05 · Corporate boards Corporate boards do supervise the management of companies effectively	4.67	6.17	61	2022
3.4.06 · Auditing and accounting practices Auditing and accounting practices are adequately implemented in business	6.44	7.25	53	2022
3.4.07 · Use of big data and analytics Companies are very good at using big data and analytics to support decision-making	5.19	5.33	34	2022
3.4.08 · Customer satisfaction Customer satisfaction is emphasized in companies	7.63	6.95	13	2022
3.4.09 · Entrepreneurship Entrepreneurship of managers is widespread in business	5.35	6.07	50	2022
3.4.10 · Social responsibility Social responsibility of business leaders is high	6.02	6.16	32	2022
3.4.11 · Women in management Female share of senior and middle management (% of management)	15.65	31.46	53	2020
3.4.12 · Women on boards Boardmembers of all companies analyzed by MSCI	8.70	24.22	55	2021
3.4.13 · Entrepreneurial fear of failure % indicating that fear of failure would prevent them from setting up a business	14.72	42.81	2	2021
3.4.14 · Total early-stage Entrepreneurial Activity % who are either a nascent entrepreneur or owner-manager of a new business	13.39	12.11	19	2021

3.5 · Attitudes and Values	Value	Average	Rank	Year
3.5.01 · Attitudes toward globalization Attitudes toward globalization are generally positive in your society	7.38	6.47	11	2022
3.5.02 · Image abroad or branding The image abroad of your country encourages business development	8.17	6.44	5	2022
3.5.03 · National culture The national culture is open to foreign ideas	6.40	6.82	41	2022
3.5.04 · Flexibility and adaptability Flexibility and adaptability of people are high when faced with new challenges	6.46	6.63	37	2022
3.5.05 · Need for economic and social reforms The need for economic and social reforms is generally well understood	7.00	5.88	12	2022
3.5.06 · Digital transformation in companies Digital transformation in companies is generally well implemented	6.56	5.95	21	2022
3.5.07 · Value system The value system in your society supports competitiveness	6.35	6.23	33	2022

# KOREA REP.

## Extended Country Profile

### 4 · Infrastructure

#### 4.1 · Basic Infrastructure

	Value	Average	Rank	Year
4.1.01 · Land area Square kilometers ('000)	100	1,207	38	2021
4.1.02 · Arable area Square meters per capita	306	2,704	57	2019
4.1.03 · Water resources Total internal renewable per capita in cubic meters	1,267	18,375	46	2018
4.1.04 · Access to water Access to water is adequately ensured and managed	9.25	7.90	13	2022
4.1.05 · Management of cities Management of cities supports business development	8.38	6.61	7	2022
4.1.06 · Population - market size Estimates in millions	51.68	81.51	16	2021
4.1.07 · Population - growth Percentage change	-0.19	0.30	50	2021
4.1.08 · Dependent Population Percentage of total population	28.4	33.6		2021
Population over 65 years	16.5	14.8		2021
Population under 15 years	11.9	18.7		2021
4.1.09 · Dependency ratio Population under 15 and over 64 years old, divided by active population (15 to 64 years)	39.6	51.2	6	2021
4.1.10 · Roads Density of the network, km roads/square km land area	1.11	1.39	26	2019
4.1.11 · Railroads Density of the network, km per square km	0.050	0.049	20	2020
4.1.12 · Air transportation Number of passengers carried by main companies, thousands	30,033	27,297	14	2020
4.1.13 · Quality of air transportation Quality of air transportation encourages business development	8.63	7.07	8	2022
4.1.14 · Distribution infrastructure The distribution infrastructure of goods and services is generally efficient	8.76	7.12	8	2022
4.1.15 · Energy infrastructure Energy infrastructure is adequate and efficient	7.96	6.81	20	2022
4.1.16 · Total indigenous energy production Millions MTOE	48.36	169.14	25	2019
4.1.17 · Total indigenous energy production (%) Percentage of total requirements in tons of oil equivalent	17.3	106.4	56	2019
4.1.18 · Total final energy consumption Millions MTOE	181.93	122.04	56	2019
4.1.19 · Total final energy consumption per capita MTOE per capita	3.52	2.46	53	2019
4.1.20 · Electricity costs for industrial clients US\$ per kwh	0.100	0.107	29	2021

## 4.2 · Technological Infrastructure

Value Average Rank Year

4.2.01 · Investment in Telecommunications Percentage of GDP	0.54	0.42	15	2021
4.2.02 · Mobile Broadband subscribers 4G & 5G market, % of mobile market	90.9	71.5	11	2020
4.2.03 · Mobile Telephone costs Monthly Blended Average Revenue per User	26.2	15.7	54	2020
4.2.04 · Communications technology Communications technology (voice and data) meets business requirements	8.83	7.67	12	2022
4.2.05 · Secure internet servers publicly-trusted TLS/SSL certificates, Netcraft Secure Server Survey.	5,945	36,109	43	2020
4.2.06 · Internet users Number of internet users per 1000 people	964	839	8	2021
4.2.07 · Broadband subscribers Number of subscriptions per 1000 inhabitants	433	381	25	2020
4.2.08 · Internet bandwidth speed Average speed	145.1	93.5	12	2021
4.2.09 · Digital/Technological skills Digital/Technological skills are readily available	6.19	6.79	46	2022
4.2.10 · Qualified engineers Qualified engineers are available in your labor market	5.89	6.35	42	2022
4.2.11 · Public-private partnerships Public and private sector ventures are supporting technological development	5.60	6.08	46	2022
4.2.12 · Development & application of tech. Development and application of technology are supported by the legal environment	5.75	6.46	48	2022
4.2.13 · Funding for technological development Funding for technological development is readily available	6.23	5.98	30	2022
4.2.14 · High-tech exports (\$) US\$ millions	163,987	47,160	5	2020
4.2.15 · High-tech exports (%) Percentage of manufactured exports	35.71	18.12	6	2020
4.2.16 · ICT service exports Percentage of service exports	6.4	9.7	35	2018
4.2.17 · Cyber security Cyber security is being adequately addressed by corporations	6.21	5.89	28	2022

### 4.3 · Scientific Infrastructure

Value Average Rank Year

4.3.01 · Total expenditure on R&D (\$) US\$ millions	78,857	31,953	5	2020
4.3.02 · Total expenditure on R&D (%) Percentage of GDP	4.81	1.63	2	2020
4.3.03 · Total expenditure on R&D per capita (\$) US\$ per capita	1,522.9	647.1	9	2020
4.3.04 · Business expenditure on R&D (\$) US\$ millions	62,359	24,238	5	2020
4.3.05 · Business expenditure on R&D (%) Percentage of GDP	3.81	1.11	2	2020
4.3.06 · Total R&D personnel Full-time work equivalent (FTE thousands)	545.4	233.3	5	2020
4.3.07 · Total R&D personnel per capita Full-time work equivalent (FTE) per 1000 people	10.53	5.37	3	2020
4.3.08 · Total R&D personnel in business enterprise Full-time work equivalent (FTE thousands)	416.9	183.3	5	2020
4.3.09 · Total R&D personnel in business per capita Full-time work equivalent (FTE) per 1000 people	8.05	3.31	3	2020
4.3.10 · Researchers in R&D per capita Full-time work equivalent (FTE) per 1000 people	8.6	3.6	1	2020
4.3.11 · Graduates in Sciences % of graduates in ICT, Engineering, Math & Natural Sciences	29.61	24.75	11	2019
4.3.12 · Scientific articles Scientific articles published by origin of author	68,934	39,473	8	2019
4.3.13 · Nobel prizes Awarded in physics, chemistry, physiology or medicine and economics since 1950	0	9	28	2021
4.3.14 · Nobel prizes per capita Awarded in physics, chemistry, physiology or medicine and economics since 1950 per million people	0.00	0.19	28	2021
4.3.15 · Patent applications Number of applications filed by applicant's origin	260,614	52,962	4	2020
4.3.16 · Patent applications per capita Number of applications filed by applicant's origin, per 100,000 inhabitants	503.30	80.01	2	2020
4.3.17 · Patent grants Number of patents granted by applicant's origin (average 2018-2020)	141,547	25,007	4	2020
4.3.18 · Number of patents in force by applicant's origin, per 100,000 inhabitants	2,429.7	491.7	4	2020
4.3.19 · Medium- and high-tech value added Proportion of total manufacturing value added, expressed as a percentage	63.83	38.63	5	2019
4.3.20 · Scientific research legislation Laws relating to scientific research do encourage innovation	6.06	5.97	31	2022
4.3.21 · Intellectual property rights Intellectual property rights are adequately enforced	6.42	6.59	37	2022
4.3.22 · Knowledge transfer Knowledge transfer is highly developed between companies and universities	5.50	5.52	30	2022



## 4.4 · Health and Environment

Value Average Rank Year

4.4.01 · Total health expenditure Percentage of GDP	8.2	7.5	26	2019
4.4.02 · Total health expenditure per capita US\$ per capita	2,606	2,614	25	2019
4.4.03 · Public expenditure on health (%) Percentage of total health expenditure	59.53	65.44	42	2019
4.4.04 · Health infrastructure Health infrastructure meets the needs of society	7.66	5.97	14	2022
4.4.05 · Universal health coverage index Coverage index for essential health services (0-100)	87	78	3	2019
4.4.06 · Life expectancy at birth Average estimate	83.4	78.4	4	2020
4.4.07 · Healthy life expectancy Average estimate	72.8	68.3	4	2021
4.4.08 · Infant mortality Under five mortality rate per 1000 live births	3.0	7.9	14	2020
4.4.09 · Medical assistance Number of inhabitants per physician and per nurse			41	2021
Medical assistance / Per nurse	130.79	302.83		2021
Medical assistance / Per physician	418.27	533.91		2021
4.4.10 · Urban population Percentage of total population	81	77		2021
4.4.11 · Human development index Combines economic - social - educational indicators/ Source: Human Development Report	0.916	0.862	22	2019
4.4.12 · Energy intensity Total energy consumed for each 1000 US\$ of GDP in MTOE	106	102	36	2018
4.4.13 · Safely treated waste water Percentage of waste water	99.5	76.7	4	2020
4.4.14 · Water use efficiency US\$ per cubic meter	55.15	97.67	30	2019
4.4.15 · CO2 emissions Metric tons of carbon dioxide from fuel combustion	570.7	420.2	57	2020
4.4.16 · CO2 emissions intensity CO2 emissions from fuel combustion in metric tons per one million US\$ of GDP	348.5	354.2	41	2020
4.4.17 · Exposure to particle pollution Mean population exposure to PM2.5, Micrograms per cubic metre	27.45	20.45	53	2019
4.4.18 · Renewable energies (%) Share of renewables in total energy requirements, %	2.0	16.8	55	2019
4.4.19 · Forest area growth Five year percentage change of hectares	-0.8	0.4	48	2020
4.4.20 · Total biocapacity Global hectares per capita of biologically productive space	0.64	3.26	50	2018
4.4.21 · Ecological footprint Global hectares per person	6.3	5.0	47	2018
4.4.22 · Ecological balance (reserve/deficit) Total biocapacity minus total footprint in global hectares per capita	-5.67	-1.73	54	2018
4.4.23 · Environment-related technologies Development of environment-related technologies, % inventions worldwide	11.76	1.60	4	2019
4.4.24 · Environmental agreements Multilateral agreements on hazardous waste, proportion fulfilled	55.64	83.34	55	2015
4.4.25 · Sustainable development Sustainable development is a priority in companies	7.48	6.21	11	2022
4.4.26 · Pollution problems Pollution problems do not seriously affect your economy	5.06	5.71	43	2022
4.4.27 · Environmental laws Environmental laws and compliance do not hinder the competitiveness of businesses	5.21	6.17	50	2022
4.4.28 · Quality of life Quality of life is high	6.44	6.76	36	2022

## 4.5 · Education

Value Average Rank Year

4.5.01 · Total public expenditure on education Percentage of GDP	4.5	5.0	42	2018
4.5.02 · Total public expenditure on education per capita US\$ per capita	1,490	1,562	26	2018
4.5.03 · Total public exp. on education per student Spending per enrolled pupil/student, all levels	7,725	6,944	24	2018
4.5.04 · Pupil-teacher ratio (primary education) Ratio of students to teaching staff	16.62	15.95	42	2019
4.5.05 · Pupil-teacher ratio (secondary education) Ratio of students to teaching staff	12.10	13.74	32	2019
4.5.06 · Secondary school enrollment Percentage of relevant age group receiving full-time education	93.8	92.7	37	2019
4.5.07 · Higher education achievement Percentage of population that has attained at least tertiary education for persons 25-34	69.8	44.2	4	2020
4.5.08 · Women with degrees Share of women who have a degree in the population 25-65	48.5	39.7	20	2020
4.5.09 · Student mobility inbound Foreign tertiary-level students per 1000 inhabitants	1.91	4.01	40	2019
4.5.10 · Student mobility outbound National tertiary-level students studying abroad per 1000 inhabitants	1.96	2.62	24	2019
4.5.11 · Educational assessment - PISA PISA survey of 15-year olds	520	471	6	2018
Educational assessment - PISA / Mathematics	526	472		2018
Educational assessment - PISA / Reading	514	468		2018
Educational assessment - PISA / Sciences	519	472		2018
4.5.12 · Students who are not low achievers - PISA % of students who are not low achievers in maths, sciences and reading	77.1	58.5	7	2018
4.5.13 · English proficiency - TOEFL TOEFL scores	86	92	52	2020
4.5.14 · Primary and secondary education Primary and secondary education meets the needs of a competitive economy	6.06	6.10	37	2022
4.5.15 · University education University education meets the needs of a competitive economy	5.21	6.40	46	2022
4.5.16 · Management education Management education meets the needs of the business community	5.60	6.34	46	2022
4.5.17 · University education index Country score calculated from Times Higher Education university ranking	15.38	14.07	20	2021
4.5.18 · Illiteracy Adult (over 15 years) illiteracy rate as a percentage of population	1.0	2.4	1	2019
4.5.19 · Language skills Language skills are meeting the needs of enterprises	5.60	6.41	45	2022

## About the International Institute for Management Development (IMD)

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