

Guide on Subsidy (employment/education&training) for Foreign-Invested Enterprises in Seoul

① **Relevant laws:** Article 14 (4) of the Foreign Investment Promotion Act (FIPA), Article 20 (4) of the FIPA Enforcement Decree, Article 15 and 16 of the Seoul Metropolitan Government Ordinance on Support for Foreign Investment

② **Eligible Areas:** Foreign investment projects (MOU/LOI established) attracted by the SMG or Foreign-invested enterprises investing in eight new growth industries

IT convergence, green industry, digital content, business services, fashion & design, finance, tourism and conventions, biomedical

③ **Requirements to receive support (conditions ①, ②, ③ must all be met)**

- ① A corporation located in Seoul with a foreign investment ratio of over 30 percent;
 - ② Within five years of the date of registration of foreign-invested enterprise or within five years of the date of additional foreign direct investment;
 - ③ Through new recruitment in 2018, the total number of regular employees must have increased by more than 10 persons from the preceding year.
- ※ Applies to Korean nationals employed on the date of application

④ **Subsidy amount**

- ① Employment subsidy: maximum of KRW 1,000,000 per employee per month for up to six months for each newly hired employee exceeding 10
(In the case of companies newly founded in 2018, the total number of regular employees should be more than 10.)
- ② Education and training subsidy: maximum of KRW 1,000,000 per person per month for up to six months for cases in which the above employees received occupational training at qualified educational institutions, as per the Vocational Education and Training Promotion Act
- ③ However, the amount of subsidy received per company shall not exceed KRW 400 million per year (KRW 200 million limit each for employment subsidy and education and training subsidy).

⑤ **Conditions attached to the provision of subsidy**

- ① The subsidy shall be used only for labor costs (employee salary, bonus, welfare expenses, etc.).
- ② For the first three years including the year in which a subsidy is applied for, a company receiving the subsidy shall maintain the number of regular employees and more than 30% of foreign investments as the previous year of subsidy application (2018).
- ③ In the event that condition ① or ② is violated during the above mentioned period or a subsidy has been received by a false application or other illegal means or the recipient moves to other cities or provinces, the subsidy shall be rescinded.

⑥ **For queries,** please contact the Investment & Business Incubation Division, SMG.

To apply for the subsidy, please refer to the Seoul Metropolitan Government website (<http://www.seoul.go.kr>, <http://english.seoul.go.kr>) or blog (<http://investseoul.com>), and contact the Investment & Business Incubation Division of the SMG (☎ 02-2133-4765, sangwoon.jeong@seoul.go.kr).