

# South Korea - Alberta Relations



*This map is a generalized illustration only and is not intended to be used for reference purposes. The representation of political boundaries does not necessarily reflect the position of the Government of Alberta on international issues of recognition, sovereignty or jurisdiction.*

## PROFILE

**Capital:** Seoul

**Population:** 49.5 million (2014)

**Language:** Korean

**Government:** Presidential System

**Head of State:** President PARK Geun-hye (since February 2013)

**Head of Government:** Prime Minister JUNG Hong-won (since February 2013)

**Currency:** CAD \$1 = 982.2 South Korean Won (2015 average)

**GDP:** US \$1,425.9 billion (2014)

**GDP (PPP):** US \$1,740 billion (2014)

**GDP Per Capita (PPP):** US \$35,144 (2014)

**GDP Growth Rate:** 3.7 per cent (2010-2014 average)

**Inflation:** 2.3 per cent (2010-2014 average)

**Key Industry Sectors:** Electronics, automobile production, steel, shipbuilding, chemicals and telecommunications.

*Sources:*

*Bank of Canada, Economist Intelligence Unit, Economy Watch*

## DID YOU KNOW?

- Alberta has long enjoyed positive relations with the Republic of Korea (commonly known as South Korea).
- Pyeongchang County will host the 2018 Winter Olympics. Located southeast of Seoul, in the southern part of Gangwon Province, Pyeongchang sits 700 meters above sea level in the mountainous Taebaek region.
- South Korea announced a long-term national "Green Growth" energy strategy, which aims to increase energy efficiency and the supply of clean energy and reduce energy consumption through to 2030.
- Forty-three per cent of South Koreans share just three family names—Kim, Lee (Yi or Ri) and Park (or Pak). The most common, Kim (21 per cent), means "gold."
- South Korea has four seasons, with a wet monsoon/summer season in the middle of the year, and a cold winter from November to March. Like Alberta, South Korea's winter weather is usually cold and dry, with heavy snow in the north and east.
- South Korea's demographic profile is distinctive. With more than 470 people per

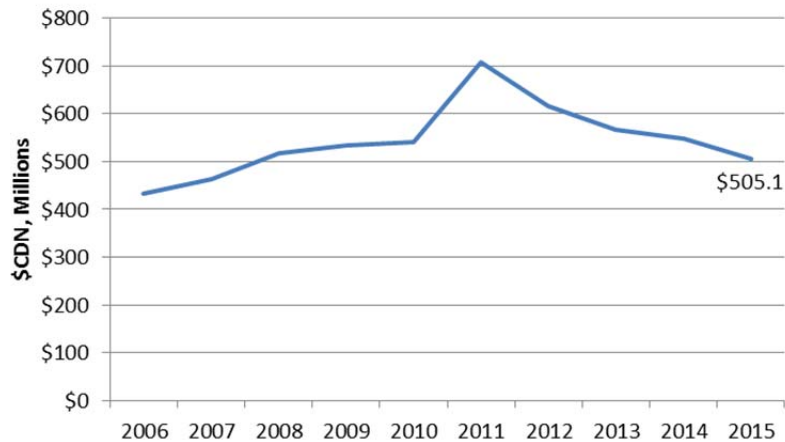
square kilometer, it is the third-most densely populated country in the world (excluding city-states), after Bangladesh and Taiwan.

- The South Korean flag is called Taegukgi. Its design symbolizes the principles of the yin and yang in Asian philosophy. The circle is surrounded by four trigrams, one in each corner. Each trigram symbolizes one of the four universal elements: heaven, earth, fire and water.

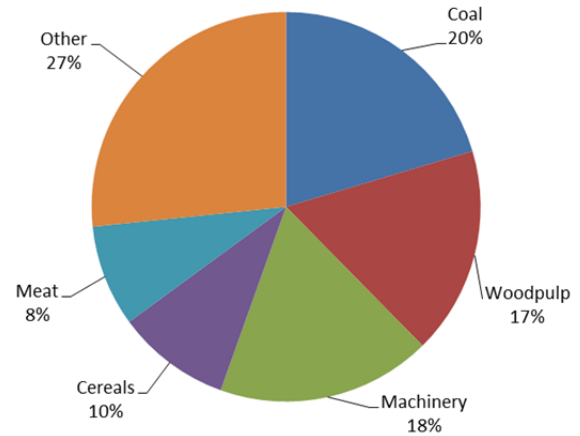
## RELATIONSHIP OVERVIEW

- Alberta's oldest sister province relationship is with Gangwon province in South Korea. It was established in 1974 and the two provinces have since participated in a variety of activities including education, culture and sport exchanges.
- In July 2015, Vice-Governor KIM Jeongsam of Gangwon visited Edmonton where he and the Premier of Alberta signed the 40th anniversary Protocol of Reaffirmation of the sister province relationship between Gangwon and Alberta.
- A pavilion, built of Canadian wood, was gifted from Alberta to Gangwon to commemorate the 40th anniversary of the sister province relationship. The pavilion was constructed

## Alberta's Exports to South Korea 2006-2015



## Alberta's Merchandise Exports to South Korea 2011-2015 (Total Average \$588 million)



outside of the Alpensia Resort, a VIP site where visiting dignitaries and media will be housed during the 2018 Winter Olympics.

- Edmonton has a friendship agreement with the municipality of Wonju and Daejeon is Calgary's sister city.

### TRADE AND INVESTMENT

- South Korea is Alberta's fifth largest export market and Canada's seventh largest trading partner.
- Alberta's exports to South Korea were \$505 million in 2015 and consisted primarily of woodpulp, coal, cereals, machinery and pork.
- From 2011-2015, Alberta's direct imports from South Korea averaged \$324.8 million and consisted primarily of machinery and industrial equipment, steel, tires, rubber and plastic products.
- Canada and South Korea concluded the Canada-Korea Free Trade Agreement (CKFTA) in March 2014, which is Canada's first bilateral free trade agreement in the Asia-Pacific. This agreement went into effect on January 1, 2015.

### ENERGY

- Due to the country having no proven oil reserves, South Korea is dependent on imports mainly from the Middle East, making it the world's fifth largest importer of crude oil.
- In 2013, South Korea consumed an estimated 2.3 million barrels of oil per day, making it the ninth largest consumer of oil in the world. Oil accounted for approximately 41 per cent of South Korea's total primary energy consumption in 2012.
- South Korea relies on imported liquefied natural gas (LNG) for most of its natural gas. In 2013, the country was the second largest LNG importer in the world (after Japan).

Korea is the world's fourth largest net importer of coal, importing 138.2 million tons in 2012. Coal represented 28 per cent of the total primary energy supply in 2012, and is the backbone of the Korean power system.

- In 2012, South Korea's electricity generation was 509 billion kWh, comprised of 29 per cent nuclear, 3 per cent petroleum, 39 per cent coal, 22.4 per cent LNG, 1.5 per cent hydro and 2.1 per cent renewable resources.

In November 2014, Alberta's Ministry of Energy and the Alberta Korea Office with Alberta's Senior Representative for the Asia Pacific Basin, held a Western Canadian Energy Seminar in Seoul, Korea. More than 90 guests participated.

In October 2013, Alberta's Energy Minister led a mission to Seoul and Daegu, Korea, to participate in the World Energy Congress, renew the Government of Alberta's Memorandum of Understanding with Korea, and meet with government and industry officials.

In April 2012, the Korea-Canada Energy Forum, held in Calgary, provided an opportunity for promoting investment, trade and research and development collaboration between South Korea and Alberta in the energy sector. This forum was first held in October 2010 in Calgary.

In November 2010, Alberta signed an agreement with Korea's Ministry of Knowledge Economy to establish a collaborative framework for the development and implementation of joint energy sector initiatives.

In November 2010, the Alberta Korea Office partnered with the Alberta Energy Research Institute to successfully locate the Korea National Oil Corporation's (KNOC) new International Technical Centre to Calgary.

KNOC acquired Calgary-based Harvest Energy Trust in a combined \$4.1 billion cash and debt deal in October 2009. In May 2010, the joint venture completed an internal reorganization and was renamed Harvest

Operations Corp., which owns both assets from Harvest Energy Trust and the BlackGold project KNOC acquired in 2006. In December 2010, the company acquired Hunt Oil.

### TOURISM

- South Korea remains a priority market for tourism. Travel Alberta maintains an in-market representative in Seoul.

In August 2012, the Premier met with the Chairman of Korean Air at an Alberta Days event during the London Olympics to discuss air service between South Korea and Alberta.

- In 2013, Alberta received 25,000 overnight visitors from South Korea accounting for \$22 million in tourism expenditures.

### SCIENCE AND TECHNOLOGY

- Under a letter of intent between Alberta and sister province Gangwon, approximately \$1.5 million has been contributed to 11 joint projects through the Alberta-Gangwon Collaboration Program since 2005.

Alberta's Ministry of Innovation and Advanced Education provides support for an international research collaboration between the University of Calgary (U of C) and the Korean company M & D, based in Gangwon. The project focuses on measuring cancer cells and tissue samples to measure biomarker expression in real-time.

### FORESTRY

- Forestry Division and Canada Wood are bringing together Korean builders, engineers and students to demonstrate the high performance of wood as a building material. Korean design and construction professionals attended a comprehensive training program for 10 days in February 2015 and collaborated with many partners such as Wood WORKS!, FPInnovations and Canada Wood.

- The CKFTA creates vast opportunities for Alberta's forest products.

## AGRICULTURE

- South Korea is Alberta's fifth largest destination country for agri-food exports, with exports valued at \$228 million in 2014. Top products included wheat (\$75 million), pork (\$36 million), raw hides and skins (\$27 million), beef (23 million) and other oils and fats (\$8 million).
- South Korea was Alberta's fourth largest destination for pork in 2014.
- The CKFTA will allow for significantly improved market access for Alberta's/Canada's agricultural and agri-food products to Korea, and allow for the progressive elimination of tariffs on more than 86 per cent of agricultural tariff lines. Under this agreement Alberta will realize enhanced market access for its agricultural and agri-food products.

## EDUCATION

- Many South Korean students attend schools in Alberta to learn English as a second language. From 2010 to 2014, 1,999 foreign students from South Korea were issued a permit to study in Alberta.
- For over 10 years, the Calgary Board of Education has built a dynamic relationship with the Seoul Metropolitan Board of Education. Each year, 15-50 teachers from South Korea participate in a specialized program on English language teaching in Calgary. The Board has also offered leadership training to administrators.
- The U of C has active cooperation agreements with a number of Korean institutions, including Yonsei University, the University of Seoul, Seoul National University, Jeonju University, Kongju National University and Korea Institute of Geoscience and Mineral Resources.
- Alberta's Ministry of Advanced Education provides support for an international research collaboration between the U of C and the Korean company M&D, based in Gangwon. The project focuses on measuring cancer cells and tissue samples to measure biomarker expression in real-time.
- In 2015, the U of C and the Energy and Mineral Resources Development Association of Korea partnered to support up to five Korean graduate students per year to study and conduct research at U of C for up to 24 months.
- The University of Alberta (U of A) began establishing linkages in Korea in the early 1980s and now has long-standing relations

with several institutions. Alberta's sister province relationship with Gangwon has led to several exchanges with academic and government bodies. There are various connections between U of A Faculties and universities in Korea such as Seoul National University and Yonsei University.

- MacEwan University has active exchange agreements with the Dankook University and Hankuk University.
- Mount Royal University (MRU) has partnerships with Hanyang University, Kyung Hee University and Ajou University and has an active student exchange program with all three universities. In 2012, MRU was selected to deliver the official training program for participants in the Global Leaders' Program being sponsored by Gangwon Province to train employees prior to the 2018 Winter Olympics.

## EMERGING OPPORTUNITIES

- In January 2015, in collaboration with the Korea Environmental Protection Bureau, an Alberta-Korea Environmental Matchmaking Seminar and Outreach Meeting was held in Seoul. Small and Medium Enterprises from Alberta travelled to Korea to explore this emerging area of interest and build business relationships with potential partners there.
- The decline in natural gas prices, along with the projected increase of demand in South Korea, could result in increased Korean investment and trade with Alberta.
- In July 2009, the federal government of Canada announced the successful conclusion of a Blue Sky air transport agreement with South Korea. The agreement allows any number of air carriers from either country to operate scheduled passenger and all-cargo air services as frequently as desired, to and from any point in either country's territory.
- Opportunities for forest products are considerable in Korea. The existing culture of wood construction in Korea is opening up markets in the decorative wood industries (e.g. flooring, paneling, and furniture). Through existing relationships and intentional marketing and branding, demand for forest products by distributors, builders, manufacturers and consumers can be stimulated. Alberta's forest products are well positioned to take advantage of this growing demand.
- Albertan and South Korean businesses are working together to promote export opportunities in the value-added building products industry.

## COMMUNITY

- There are approximately 12,340 Albertans of Korean descent.

Between 2010 and 2014, 3,574 immigrants from South Korea chose Alberta as their destination. Approximately 87 per cent were economic immigrants. This includes principal applicants and their dependents. These economic immigrants were most commonly occupied as cooks, early childhood educators and assistants, welders and light duty cleaners.

- From 2010 to 2014, 4,099 foreign workers from South Korea were issued a permit to work in Alberta. Approximately 45 per cent were issued open employment permits and the rest were most commonly occupied as welders and related machine operators, cooks, and food counter attendants, kitchen helpers and related support occupations.
- In 2013, Apprenticeship and Industry Training approved 415 qualification certificate applications from South Korea. Of these, 83 per cent were from welders. The Qualification Certificate Program provides experienced tradespeople with an opportunity to obtain an Alberta trade certificate by demonstrating that their skills, knowledge and experience meet Alberta industry standards.
- Active Korean community associations have been established in Calgary and Edmonton. In addition to providing assistance to newly arrived immigrants, these associations help to promote Korean culture and provide support to Korean business owners.
- The Edmonton Korean Community Centre Foundation received a \$1 million grant from the Government of Alberta's Community Facility Enhancement Program to help develop the South Edmonton Multicultural Centre, which will serve as a venue for Korean and other immigrant groups to host cultural events and activities.

## RECENT VISITS

- October 2013: The Minister of Energy visited Seoul and Daegu in order to expand market access for energy commodities in Asia. He spoke at the World Energy Congress in Daegu, and signed bilateral energy cooperation agreements with Korean counterparts.
- September 2013: Alberta's Associate Minister of International and Intergovernmental Relations met with companies in South Korea, including KOGAS and Daewoo International. Meetings were also held to build on cultural and educational linkages, including support for Korea's preparation for the 2018 Winter Olympics by allowing Korean officials to study English and event management in Alberta as part of the Global Leaders Program.
- June 2012: Alberta's Minister of International and Intergovernmental Relations met with

companies and industry associations in South Korea to advance Alberta's economic relationship with South Korea.

- May 2012: As part of a mission to South Korea and China, Alberta's Minister of Education participated in the 5th Education Ministerial Meeting hosted by Asia-Pacific Economic Cooperation (APEC) in Gyeongju, South Korea.

## **DIPLOMATIC REPRESENTATION**

- His Excellency JO Dae-Shik is the Ambassador of the Republic of Korea to Canada based in Ottawa.
- Mr. LEE Kie-Cheon is the Consul General of the Republic of Korea based in Vancouver, which has jurisdiction for Alberta.
- The Canadian Ambassador to South Korea is Mr. Eric Walsh.
- Mr. George Fixler is the Honorary Consul General of the Republic of Korea in Calgary.
- Alberta has maintained an international office in Seoul since 1988. It is co-located in the Canadian Embassy. The Managing Director of this office is Mr. Gregory Baker.



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