South Korea is a country in Eastern Asia occupying the southern half of the Korean Peninsula. It borders the Sea of Japan, the Yellow Sea, and North Korea. South Korea’s terrain is mostly mountainous. The government system is a republic; the chief of state is the president, and the head of government is the prime minister. South Korea has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation. South Korea is a member of the Asia-Pacific Economic Cooperation (APEC) and the Asia-Pacific Trade Agreement (APTA).

Location: Eastern Asia
Capital City: Seoul (+9 GMT)
Chief of State: President Yoon Suk Yeol
Head of Govt.: President Yoon Suk Yeol
Currency: South Korean won (KRW)
Major Languages: English (official), Arabic (includes Juba and Sudanese variants), ethnic languages include Dinka, Nuer, Bari, Zande, Shilluk
Primary Religions: Christian 60.5%, folk religion 32.9%, Muslim 6.2%, other <1%, unaffiliated <1% (2020 est.)
Calling Code: 82
Voltage: 220

Key Economic Facts

- **Income Level (by per capita GNI):** High Income
- **Level of Development:** Developed
- **GDP, PPP (current international $):** $2,585.01 billion (2022)
- **GDP growth (annual %):** 2.56% (2022)
- **GDP per capita, PPP (current international $):** $50,069.82 (2022)
- **Manufacturing, value added (% of GDP):** 25.63% (2022)
- **Current account balance (BoP, current US$):** $29.83 billion (2022)
- **Inflation, consumer prices (annual %):** 5.09% (2022)
- **Labor force, total:** 29,203,428 (2022)
- **Unemployment, total (% of total labor force) (modeled ILO estimate):** 2.79% (2022)
- **Imports of goods and services (current US$):** $808.09 billion (2022)
- **Exports of goods and services (current US$):** $803.59 billion (2022)

**GDP Composition %**

- Agriculture: 2%
- Services: 58%
- Industry: 32%
- Manufacturing: 26%

*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.

**Rankings**

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**Risk Assessment (Provided by Coface)**

- **Country rating:** A2 - The political and economic situation is good. A basically stable and efficient business environment nonetheless leaves room for improvement. Corporate default probability is low on average.

- **Business Climate rating:** A1 - The business environment is very good. Corporate financial information is available and reliable. Debt collection is efficient. Institutional quality is very good. Intercompany transactions run smoothly in environments rated A1.

**Strengths**

- Diversified industrial base
- Leader in high-end electronics
- High private and public R&D spending
- Good educational system
- Diversified FDIs in Asia

**Weaknesses**

- Competition from China (steel, shipbuilding, electronics, automotive, domestic appliances)
- High level of household debt
- Ageing population
- High youth unemployment
- Net commodity importer
- Overrepresentation of chaebols in the economy
- Geopolitical tensions with North Korea and Japan

**U.S. Embassy**

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