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EMAIL: rachelmchun@korea.kr**Ministry of SMEs and Startups Sends K-Beauty Delegation to Saudi Arabia**

SEJONG – The Ministry of SMEs and Startups (MSS), led by Minister OH Youngju, has dispatched a K-Beauty Delegation to Saudi Arabia as part of efforts to raise awareness of Korean beauty products and promote the entry of Korean SMEs and startups into the Middle Eastern market.

This initiative is a follow-up to the Internationalization Strategy for SMEs and startups announced by MSS in May 2024. After the first deployment of the Korean business Delegation to Vietnam in August 2024, this marks the second mission, with a specific focus on the cosmetics sector. The cosmetics industry has become the top export category for SMEs, experiencing rapid growth in exports in recent years.

Minister OH noted, “The success of Korean cosmetics exports is a result of a strong private ecosystem that allows SMEs with creative ideas to easily enter the market and innovate.” She emphasized, “Through this K-Beauty Delegation, we aim to widely promote the innovation of K-Beauty and create opportunities for Korean companies to establish a strong presence in the Middle Eastern market.”

In 2023, Korean cosmetics exports reached an all-time high of \$5.3 billion, making cosmetics the top export category for SMEs. The growth continued into 2024, with a 30.8% increase in the first half of the year, bringing the total to \$3.3 billion. Notably, exports of cosmetics to Saudi Arabia surged by 65.3% in 2023, reaching \$27.6 million, up from \$16.7 million in 2021. This growth reflects increasing recognition and demand for K-Beauty products in Saudi Arabia.

In a bilateral meeting in July between Minister OH Youngju and Saudi Arabia's Minister of Commerce, Deputy Minister Eiman AlMutairi highlighted the growing popularity of K-Beauty in Saudi Arabia. The Deputy Minister expressed a strong interest in welcoming Korean beauty

SMEs to Saudi Arabia during the upcoming BIBAN 2024 event. In response, the Ministry of SMEs and Startups (MSS) decided to dispatch the K-Beauty Delegation to Saudi Arabia during the BIBAN. The delegation consists of 19 SMEs and startups from the cosmetics and beauty medical device sectors.

From November 5 to 9, 2024, the K-Beauty Delegation is hosting a dedicated exhibition and promotion booth at the BIBAN 2024, held at the Front Exhibition and Conference Center in Riyadh. The booth, which will be operated for five days, is designed as an immersive beauty experience space, allowing visitors to try and interact with a wide range of products from Korean companies. In addition to the exhibition, a beauty makeup show and live sketches by local influencers will take place to further highlight the creativity and innovation of K-Beauty brands. LEE Wang-heon, CEO of Zens International, said, "Participating directly in the operation of the promotional booth allows us to engage with Saudi locals, receive immediate feedback through visitor surveys, and refine our strategies for entering the Saudi market."

On November 6, a local buyer matching event and export consultation meeting were held as part of the BIBAN 2024 program. The meeting invited key import and distribution companies from the Middle East as buyers, facilitating one-on-one business consultations between local buyers and participating K-Beauty companies. More than 100 attendees, including buyers, Korean companies, and interpreters, took part in the event.

On the evening of November 6, the delegation visited the Riyadh Global Business Center (GBC), an organization that supports local entry into the Saudi market. They were given a tour of the GBC facilities, introduced to its operational programs, and participated in a Q&A session with a GBC representative from the Saudi Ministry of Investment. The session covered procedures for obtaining an entrepreneur license and provided insights into local regulations and culture. Through networking with resident companies already established in Saudi Arabia, participants shared vital field information and experiences, including tips and solutions for overcoming challenges in entering the local market.

On the third day, November 7, a local institution visited business program (Delivery Bus) was conducted to secure local business networks. Exporting products to Saudi Arabia requires certification and registration procedures with the Saudi Food and Drug Authority (SFDA). To facilitate the understanding of the procedures for obtaining cosmetics import permits and product registration, the delegation visited the SFDA. The delegation also visited INNOVA, a healthcare company operating over 200 pharmacies providing medical and pharmaceutical services, and conducted business consultations there.

Expanding business in Saudi Arabia and the broader Middle East requires strong networks with key local figures. To facilitate this, the business delegation were supported in attending two important events during Minister OH's visit to Saudi Arabia: the Saudi Embassy Dinner on November 4 and the Meeting with Support Council of Diplomatic Mission Overseas for SMEs and Startups on November 7.

KIM Soo-hee, CEO of The Biage, who participated in the embassy dinner, shared her thoughts, saying, "It was a valuable opportunity to connect with key stakeholders from local support organizations such as the embassy, KOTRA, and the SBC." She continued, "These connections will play a crucial role in driving our future export success."