

NEW DEAL FUNDS WORTH KRW200 BILLION AGREED FOR FUTURE CAR AND INDUSTRIAL DIGITALIZATION

FSC Chairman Eun Sung-soo visited Hyundai EV Station¹ in Seoul on February 4 and delivered congratulatory remarks at an MOU signing event for the promotion of investment cooperation in the areas of future car and industrial digitalization.

MOU ON INVESTMENT COOPERATION

The MOU highlights an agreement toward a mutual cooperation between the relevant industry entities, financial institutions and the New Deal fund operators (KDB and Korea Growth Investment Corp.) in creating KRW200 billion worth of feeder funds to be invested in the areas of future car and industrial digitalization. To this end, Hyundai Motor Group, the Korea Evaluation Institute of Industrial Technology (KEIT) and the Korea Institute for Advancement of Technology (KIAT) will collectively invest a total of KRW90 billion in New Deal funds in 2021. Over the next five years, the financial institutions will also make matching investments worth KRW1.1 trillion in New Deal funds.

SUMMARY OF CHAIRMAN'S REMARKS

Since the government first announced its plans to create the New Deal fund worth KRW20 trillion in September last year, a master fund was created on January 28 with fiscal investment in the amount of KRW510 billion. In January, fund managers submitted their applications with proposals in the amount of KRW9.7 trillion, which is well over three times the initial investment goal of KRW3 trillion for this year. Their proposals showed an appropriate distribution across all New Deal sectors and demonstrate the significance of digital and green industries in a post-pandemic era. The MOU signed today on investment cooperation between the relevant industry and financial officials is thus significant for the following reasons. First, in order to speed up the creation of New Deal funds, matching investments from the private sector are needed. With the MOU in place, we can expect to see a more speedy creation of feeder funds in the areas of future car and industrial digitalization. Second, in order to generate tangible outcomes through investment, it is necessary to keep looking for viable and effective investment projects in the New Deal sectors. In this regard, we can also expect that the signatories to today's MOU will continue to search for promising New Deal investment opportunities.

#

For press inquiry, please contact Foreign Media Relations Team at fsc_media@korea.kr.

¹ A rapid EV charging station opened on January 21, 2021 by Hyundai Motor Group and SK Networks.