

AUTHORITIES PLAN TO INTRODUCE A TOTAL PLATFORM FOR MICROFINANCE ASSISTANCE AVAILABLE FROM JUNE 2024

- FSC Chairman announces plans to make the provision of microfinance support more efficient and user-oriented by launching an online total platform.
 - The platform will offer an automated and personalized search function to find the most suitable microfinance products for those in need.
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Chairman Kim Joo-hyun of the Financial Services Commission visited an inclusive finance support center operated by Korea Inclusive Finance Agency in Seoul on January 5 and held talks on the government's plan for microfinance support for this year with officials from relevant organizations participating.

In his opening, Chairman Kim first talked about some of the efforts made by the government to boost assistance for vulnerable groups in the previous year. The size of policy funds supplied for microfinance assistance last year was the largest ever, amounting to some KRW10.7 trillion. Moreover, a total of KRW95.85 billion in small-sum living expense lending assistance was provided to those who lacked any income sources or fell behind debt payments. Along this line, authorities updated various assistance programs to strengthen financial inclusion and made available a comprehensive consulting and counseling program linking supports for employment, social welfare, debt restructuring and so on.

For this year's microfinance policy plan, Chairman Kim said that the government will focus on boosting convenience for end-users and assisting those in need to regain footing on their own. To this end, the government plans to launch an online total platform for microfinance assistance for operation from the first half of this year. The platform will help to guide users to find the most suitable microfinance products according to each user's personal needs and situation and offer one-stop application service as well as the consulting and counseling support program. Developing this platform will mark the first step towards making the provision of microfinance assistance more efficient and user-oriented, since it will provide more personalized and comprehensive search results for comparison, while allowing users to search, compare, choose and apply all from a single platform.

In order to tackle challenges facing vulnerable groups, Chairman Kim said that it is important to ensure the availability of self-help support programs along with the provision of financial assistance. In this regard, Chairman Kim said that the financial authorities will work with the related ministry to come up with ways to bolster the consulting and counseling program linked to employment assistance. Moreover, Chairman Kim said that the FSC will thoroughly prepare for the enforcement of the new legislation on personal credit management and debtor protection, which is expected to go into effect in October 2024.

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