

FINANCIAL AUTHORITIES TO TEMPORARILY EASE REGULATIONS ON CAPITAL AND LIQUIDITY REQUIREMENTS

FSC Vice Chairman Sohn Byungdoo held a meeting on April 17 via conference call to check the delivery of the government's COVID-19 emergency support package and financial market stabilization measures.

The following is a summary of Vice Chairman Sohn's remarks:

- ▶ **STRONG COOPERATION:** The FSC and the FSS along with all other relevant institutions will closely cooperate in working to prevent bankruptcies and job losses.
- ▶ **ENSURING SEAMLESS IMPLEMENTATION:** For guaranteed loans, the guarantee institutions had different standards for offering deferments on the principal payment. Due to an improvement in the standards, this discrepancy has been removed.
- ▶ **EASING REGULATIONS:** In order to make sure that financial institutions providing the COVID-19 emergency support package do not face liquidity shortages, the government will temporarily ease regulations on the capital and liquidity requirements, while also working to improve the performance assessment measures for public financial institutions.

FINANCIAL SUPPORT PROVIDED

Between February 7 and April 13, a total of KRW40.9 trillion (488,000 individual cases) in loans and guarantees as well as loan and guarantee extensions were provided to the SMEs, small merchants and self-employed business that have been hit by the spread of COVID-19.

- ▶ **FINANCING BY TYPE:** KRW19.6 trillion (352,000 cases) in new loans and guarantees, KRW19.9 trillion (120,000 cases) in maturity extensions and deferred payments, and KRW1.4 trillion (16,000 cases) in export-import credit finance, discounted interest rates and late fees and deferment of interest payment
- ▶ **FINANCING BY TARGET:** KRW19.4 trillion (424,000 cases) to small merchants, KRW17.1 trillion (64,000 cases) to SMEs and KRW4.5 trillion (594 cases) to middle market enterprises

- ▶ **FINANCING BY INDUSTRY:** KRW5.6 trillion (56,000 cases) to wholesale businesses, KRW3.8 trillion (111,000 cases) to restaurant businesses and KRW3.6 trillion (82,000 cases) to retail businesses
- ▶ **FINANCING BY PROVIDER:** KRW20.8 trillion (303,000 cases) by policy banks and KRW20.1 trillion (185,000 cases) by private sector financial institutions¹

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¹ Loca banks, insurance companies, credit card companies, credit finance businesses and savings banks