

EXTRA LENDING SUPPORT AVAILABLE FOR SMALL MERCHANTS HIT BY SOCIAL GATHERING RESTRICTIONS

The government unveiled additional financial support for small merchants who have been hit by the recent heightening of social gathering restrictions at the 24th Meeting of the Central Economic Response Headquarters held on December 29. The newly announced support will be made available as soon as the system becomes ready at the lending institutions in mid-January 2021.

KEY DETAILS

(EXISTING PROGRAM) For all small merchants using the second phase small merchant financial support program, the current guarantee fee of 0.9 percent will be lowered to 0.3 percent for the first year for up to KRW20 million in loans.

(NEW PROGRAM) A special lending support program will be newly launched to provide targeted support for small merchants who have been negatively affected by the recent heightening of social gathering restrictions. The new lending support for small merchants will be available for up to KRW10 million regardless of whether the borrower is a recipient of the government-sponsored second phase financial support program. There will be no guarantee fee for the first year with 0.6 percent fee rate applied from the second year.

The lending institutions are recommended to make available these options to small merchants with low interest rates at their own discretion.

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