

PROVISION OF MICROFINANCE SUPPORT TO BE EXPANDED TO KRW9.6 TRILLION IN 2021

The FSC announced that the total amount of state-backed microfinance supports made available to lower income earners and low credit holders reached more than KRW4.68 trillion in the first half of 2021.

Compared with the same period of last year, 22,252 more individuals applied for assistance (*up 5.7%*), and the total amount of microfinance supports provided rose KRW467.7 billion (*up 11%*).

To continue to make microfinance options available for those struggling through the pandemic and help improve access for lower income earners and low credit holders, the FSC will expand the availability of microfinance supports to KRW9.6 trillion this year.

Among existing programs, the microloan programs for low income workers and young adults will be expanded by KRW1 trillion and KRW100 billion, respectively.

With the maximum legal lending rate lowered from 24 percent to 20 percent beginning on July 7 this year, KRW300 billion in additional microfinance support is newly made available for those who have been on high interest rate loans (above 20% per annum) before and wishing to make a switch to lower interest rate ones.

In addition, banks have begun to offer microloan products in the amount of about KRW300 billion since July 26, and credit card companies are also expected to launch microfinance services totaling some KRW50 billion in October this year.

#

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