

REVISED CREDIT INFORMATION ACT PROMOTES BIG DATA AND INFORMATION SECURITY IN FINANCIAL SECTORS

The National Assembly passed the revision bill¹ on the Credit Information Use and Protection Act on January 9, 2020. The revision bill provides a legal basis for the use of big data and the commercialization of new innovative services such as MyData businesses. It also includes measures to bolster information security, aimed at achieving a balance between the utilization of big data and information protection.

The effective date for the revision is six months from the promulgation. If the announcement is made in January, the revision bill will go into effect after July, 2020. The FSC plans to revise relevant regulations prior to the effective date. In the process, the FSC will closely communicate with experts and stakeholders to listen to their opinions.

FOLLOW-UP MEASURES

In order to continue to promote data economy, the FSC will work on a seamless implementation of the follow-up measures.

- ▶ Work on successful launch of MyData businesses by operating working groups² to establish standards for the scope of data usage, security & authentication and authorization measures
- ▶ Establish specific measures for information security by improving the current information usage and management evaluation system for financial institutions and upgrading the information use consent form
- ▶ Set up big data infrastructures to support the creation of data ecosystem in financial sectors
 - Make available a wide array of quality data through CreDB, a financial big data open system operated by the Korea Credit Information Services since June 2019
 - Designate and operate data special institutions³ in Q3 2020 to support safe and efficient data conversion activities between companies
 - Establish a data exchange in Q1 2020 to promote data distribution through which non-identifiable data & company information can be exchanged

¹ For information about key measures, please refer to the press release titled "[Revision Bill on Credit Information Act Moves Ahead at National Assembly](#)" (November 28, 2019).

² 2nd working group scheduled to conclude in April 2020

³ Korea Credit Information Services & Financial Security Institute

- ▶ Introduce a score-based credit rating system within this year to address problems arising from the current standardized credit evaluation system
- ▶ Develop measures in Q1 2020 to support small merchant financing using big data platform

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