

FSC CHAIRMAN PLEDGES SUPPORT FOR DIGITAL TRANSFORMATION OF BANKING INDUSTRY

FSC Chairman Koh Seungbeom met with the heads of major banks and industry group leaders in the banking sector on October 28 and held talks on ways to promote the banking industry's growth in the future.

CHAIRMAN'S REMARKS

With digital transformation taking place throughout the economy, the financial industry and banks are experiencing major changes—increased financial transactions through mobile and other contactless channels, unbundling and re-bundling of various financial services, financial services being offered through platforms, etc. Amid these changes taking place, it is necessary to think about the future of bank and ways to boost the competitiveness of the banking industry.

To help foster the banking industry's advancement in the future, it is important to focus on the following three factors—(a) digital transformation, (b) innovative business model and (c) fair competition. The FSC will work to provide active support for the industry in these areas. First, the authorities will work to create an environment where the idea of “digital universal bank” becomes possible through an integrated mobile app that offers a wide-array of financial services ranging from banking to insurance to stock trading, etc. The authorities will also look into ways to facilitate data sharing between financial and non-financial data and provide active support for banks making investments in new digital business areas.

Second, the authorities will help facilitate banks to innovate their business models by allowing them to expand business areas into the comprehensive asset management sector and open up their investment advisory activities beyond the currently permitted real estate sector.

Third, the authorities will continue to seek ways to foster a level playing field to promote financial innovation rooted in fair competition.

Promoting advancement of the financial industry is a key task alongside maintaining stability in the financial system. The FSC will continue to closely communicate with the industry to draw up more specific plans later on.

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