

FSC CHAIRMAN HOLDS MEETING ON PROMOTING INVESTMENT FOR STARTUPS AND VENTURE BUSINESSES

- FSC Chairman Kim Joo-hyun held a meeting to review startup and venture businesses' funding situation and listen to their needs.
 - Policy funds worth KRW15.4 trillion will be supplied to venture businesses this year with enhanced support for early-stage startups.
 - Authorities will seek ways to promote secondary market functions, foster growth of regional startup ecosystems outside the Seoul metropolitan area, and work to facilitate overseas expansion and attract investment from overseas.
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Chairman Kim Joo-hyun of the Financial Services Commission held a meeting on promoting investment for startups and venture businesses on May 16.

At the meeting, participants went over the progress of policy measures implemented since April last year, which were intended to boost funding support for innovative startups and venture businesses and bolster their competitiveness amid the investment crunch experienced by startup businesses. Backed by the active role of policy funds, experts at the meeting assessed that the investment situation shows signs of recovery and that the situation in domestic market appears to be faring better than those seen in overseas markets.

A group of businesses that have benefited from particular policy measures also attended the meeting to share their experiences in (a) expanding business operation through M&A, (b) taking advantage of the program intended to assist businesses operating outside the Seoul metropolitan area, and (c) going overseas or attracting investment from overseas. These businesses requested that these policy support measures made available on an ongoing and expanded basis.

After reviewing the status of funding support made available for startups and venture businesses by Korea Development Bank, Industrial Bank of Korea, Korea Credit Guarantee Fund, and Korea Growth Investment Corporation, Chairman Kim outlined plans for this year's startup and venture investment support.

First, a total of KRW15.4 trillion in policy funds will be supplied, an increase of about 30 percent from the previous year, to ensure the provision of seamless funding support for up-and-coming startups equipped with technological prowess. Through IBK's venture investment program, some KRW500 billion or more in funding support will be provided to early-stage startups.

In addition, KDB-IBK's secondary fund worth KRW1.2 trillion has already begun with its investment projects in May this year to facilitate functions and improve conditions in the secondary market.

To facilitate regional startup ecosystems outside the Seoul metropolitan area, authorities will seek to open startup and venture business development platforms in Busan and Gwangju within this year and introduce and expand specific lending and investment support programs.

To promote investment from overseas for business expansion and to facilitate overseas expansion of startups and venture businesses, policy financial institutions will boost support by taking advantage of their overseas branches and networks to make available both financial and non-financial types of assistance.

At the meeting, Chairman Kim said that the FSC along with other related ministries will continue to closely listen to the needs of startups and venture businesses to boost investment and promote growth.

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