Finance and Innovation Support for SMEs and Startups

Wednesday, February 19, 2020 | 12:00pm – 1:30pm | MC 2-800

Light lunch will be served

Moderator
Hassan Zaman, Regional Director, FCI, World Bank

Presenters
Jheenong Kim, Director General, Financial Services Commission of Korea (FSC)
Nara Kim, Senior Manager, Korea Technology Finance Corporation (KOTEC)
Dongwook Park, Executive Director of North America, Korea Trade-Investment Promotion Agency (KOTRA)
ChiUng Song, Vice President, Science and Technology Policy Institute (STEPPI)

Discussants
Denis Medvedev, Practice Manager, FCI, World Bank
Andrej Popovic, Sr. Financial Sector Specialist, FCI, World Bank
Overview

Korea’s impressive economic growth between the 1960s and 1990s was fueled by the government’s concerted efforts to foster private sector development and build an infrastructure for national science, technology, and innovation (STI) systems. The early efforts were focused on supporting large enterprises in key industries such as petrochemicals, semiconductors, shipbuilding, steel, and automotive. However, during the 1980s and 1990s, the role of SMEs became increasingly important as many of them became suppliers of the automobile and electronics industries. Realizing the contribution of SMEs and startups to the economy, the government started various policies and initiatives for SMEs in the 2000s, which led to an explosive increase and growth of SMEs and startups. Furthermore, in the 2010s, a ‘win–win’ growth philosophy for large companies and SMEs was actively pursued, which gave birth to a wide range of initiatives to support SME finance, competitiveness and innovation.

This workshop will introduce Korea’s experience in providing such support in finance and innovation for SMEs and startups, with the aim to build a more vibrant and inclusive private sector. Representatives from the Financial Services Commission (FSC) and Korea Technology Finance Corporation (KOTEC) will talk about Korea’s policies and programs to expand access to finance for SMEs and startups. Korea Trade-Investment Promotion Agency (KOTRA) will share Korea’s initiatives to encourage firm-level productivity for SMEs. Finally, the Science and Technology Policy Institute (STEPI) will present about its role in designing and implementing Korea’s STI policies.

About the Presenters

From the Financial Services Commission (FSC)

Jheenong Kim is Director General at the Financial Services Commission (FSC) of Korea. Since joining the government in 1998, Kim has served in key government posts responsible for economic and financial policy, such as Director of Banking Division, Director of Insurance Division, Director of Asset Management Division, and Director of Electronic Finance Division. He currently leads the capital market investigation unit, which monitors unfair capital market practices and frauds. Before joining the FSC, he worked for the Ministry of Economy and Finance and the Bank of Korea. Kim holds a master’s degree in economics from the University of Oregon and pursued a PhD in economics at Choong-ang University.

FSC is Korea’s government body responsible for financial policy and regulation across the entire financial sector. FSC has statutory authority over financial laws, regulations, and regulatory licenses. It also oversees cross-border matters such as foreign exchange transactions by financial institutions. The Korea Financial Intelligence Unit under FSC is responsible for anti-money laundering and counter-terrorism finance. FSC contributes to the Korean economy by advancing the financial industry, preserving financial market stability, enforcing fair market practices, and protecting financial consumers.

From the Korea Technology Finance Corporation (KOTEC)

Nara Kim is Senior Manager at Korea Technology Finance Corporation (KOTEC), managing its global business and coordinating international cooperation programs. She has coordinated KOTEC’s collaboration with innovation-related agencies in Thailand and Taiwan for fostering innovative startups and technology appraisal systems. She has a bachelor’s degree in Business Administration from Inha University.
**KOTEC** has led technology finance in Korea as a quasi-government agency, enhancing technology competitiveness of Korean SMEs for the past three decades. KOTEC provides technology ratings and credit guarantees to technologically viable but collateral-constrained startups and SMEs. KOTEC's rating system enables appraisal of the future value of the technologies held by startups and SMEs by analyzing technological competency, marketability and commercial viability. It has also supported Thailand, Vietnam, and Peru to design a technology rating and/or guarantee system.

**From the Korea Trade-Investment Promotion Agency (KOTRA)**

**Dongwook Park** is Executive Director of North America HQ of the Korea Investment-Trade Promotion Agency (KOTRA). During his 21-year career at KOTRA, he has led market research and investment promotion activities. Park has worked across different regions, including China, Vietnam, Australia and the United States.

**KOTRA** is a Korean quasi-government agency dedicated to promoting international trade and investment, driving the nation's economic development, and building prosperity for the global community. Through its 129 offices in 84 countries, KOTRA has facilitated Korea’s rapid export-led economic development through various trade promotion activities, such as overseas market surveys, SME export promotion, trade info services, government-to-government export, and foreign direct investment (FDI) promotion and business matchmaking in Korea.

**From the Science and Technology Policy Institute (STEPI)**

**ChiUng Song** is Vice President of the Science and Technology Policy Institute (STEPI) with expertise in economics of technology and innovation. Previously, he was Chief Director of Division for Global Innovation Strategy at STEPI and led various global cooperation projects. He was a visiting scholar at the Center for International Science and Technology Policy at the George Washington University and taught in several universities in Korea. Dr. Song also served in the president’s advisory council on the topics of science, technology and innovation.

**STEPI** is a government-funded research institute devoted to research and development of science, technology and innovation (STI) policy and policy alternatives in Korea. It identifies policy issues to effectively deal with future challenges, provides government agencies with policy ideas and suggestions for promoting innovation, suggests strategic options in technology development for the government and industries, and creates and disseminates STI policy research, data and information.