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MSS discussed various ways to improve the support system for SMEs in order to facilitate their globalization

The Minister of SMEs and Startups visited Busan, which houses the highest number of exporting SMEs outside the capital area, to meet with SMEs based in Busan.

Minister OH Youngju of SMEs and Startups has announced plans to reform the support system for small and medium-sized enterprises (SMEs). These plans include establishing a collaborative mechanism among relevant global agencies to promote SMEs' globalization, setting up a dedicated office to support regulatory issues, and strengthening the institutional framework.

Sejong, February 23, 2024 – On February 14, Minister OH Youngju of SMEs and Startups held a meeting with small and medium-sized enterprises engaged in exporting at the Busan Regional SMEs and Startups office.

Busan is a city located in South Korea that houses the largest seaport in the country. As of 2023, the port has handled an impressive container volume of 2,315 TEUs. It serves as the centerpiece of South Korea's exports and is responsible for processing around 77% of the total container volume, which amounts to 3,014 TEUs handled in the same year.

Busan has the highest number of exporting small and medium-sized enterprises (SMEs) outside the capital area with the highest export performance. The city is leading the way in the export of local SMEs.

Currently, MSS is devising policies to support the globalization of Korean SMEs effectively in terms of exports and overseas expansion.

This meeting was held to gather the opinions of SMEs in the Busan region and incorporate them into the policy-making process.

The meeting was attended by small and medium-sized enterprises (SMEs) that have directly expanded their businesses abroad and experienced changes in the local market to provide diverse opinions.

During the meeting, the representative of a company that was trying to establish a corporation in Indonesia explained, "To establish a corporation overseas, we sought advice from local legal experts. However, it is a considerable burden for SMEs with limited funds and expertise."

He further added, "There is a need for government policies that provide guidance and assistance in the procedures for establishing a corporation and settling locally in the countries where SMEs primarily expand."

In addition, there were opinions about the necessity of government support for novice export-oriented enterprises and measures to assist with damages caused by political and economic instability in target countries.

Minister OH Youngju explained that MSS plans to implement the following to support Korean SMEs in expanding overseas and increasing exports.

1. In addition to the existing marketing support, MSS will support SMEs' ability to respond to the global market in the medium to long term.
2. MSS will establish an effective system by consolidating the support capabilities of relevant public agencies and private sectors.
3. MSS will unveil a strategy to globalize SMEs, by setting up a dedicated office within MSS, alongside relevant legal and institutional improvements. The announcement is set to be made in the first half of 2024.