



Results of National Assembly Deliberations on First Supplementary Budget Proposal for 2025

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Background and Key Features of Supplementary Budget Proposal

▪ Background and Purpose

- The government submitted the first supplementary budget proposal and 11 revised fund management plans (hereafter, “supplementary budget proposal”) for ① bolstering disaster and emergency response including wildfire damage recovery, ② responding to trade uncertainties and strengthening competitiveness in advanced strategic industries such as AI, and ③ supporting the livelihoods of small business owners and vulnerable groups.

▪ Finance Source and Amount

- The proposal increases appropriations by KRW 12.2 trillion (T), using KRW 4.1T of budget surpluses and public fund reserves and KRW 8.1T from additional government bond issuance.
- It includes 93 detailed projects across 14 ministries (based on total expenditure).

▪ Main Content by Purpose

- It allocates KRW 3.2T for disaster and emergency response, KRW 4.4T for trade and AI industry support, and KRW 4.3T for livelihood support.

[Table 1] Main Content by Purpose

(KRW trillion)

Purpose	Main content	Amount
Disaster & emergency response (KRW 3.2T)	Wildfire damage recovery	1.4
	Disaster response capacity	1.7
	Safety investment in SOC	0.2
Trade & AI industry support (KRW 4.4T)	Trade risk response	2.1
	AI ecosystem innovation	1.8
	Advanced industry development	0.5
Livelihood support (KRW 4.3T)	Burden reduction for small business owners	2.6
	Revenue base expansion	1.6
	Living stability for vulnerable groups	0.2
Other		0.2
Total amount		12.2

Note: Totals may differ due to rounding adjustments

Source: Adapted from Ministry of Economy and Finance “Press Release: 2025 Supplementary Budget Proposal”

History of National Assembly Deliberations on Supplementary Budget Proposal

▪ History of Deliberations on Supplementary Budget Proposal

- On April 21, 2025, the government submitted the supplementary budget proposal to the National Assembly.



- Preliminary deliberations of nine standing committees ran from April 23 to 29. The Special Committee on Budget and Accounts (SCBA) submitted the supplementary budget proposal on April 28 and voted on it on May 1.
- On May 1, the SCBA amended budget was submitted for the final vote at the plenary meeting.
 - Considering the need to support small business owners and livelihoods due to continued domestic demand stagnation and the unprecedented scale of wildfire damage, the review was completed in only 11 days, the shortest period ever.

[Table 2] History of Deliberation on Supplementary Budget Proposal

Category	Date
Government's submission of supplementary budget proposal to National Assembly	April 21, 2025
Preliminary deliberations by nine standing committees	Referral: April 21, 2025 Motion: April 23–28, 2025 Resolution: April 24–29, 2025
Comprehensive deliberations by SCBA	Referral: April 28, 2025 Motion: April 28, 2025 Resolution: May 1, 2025
Plenary session	Motion: May 1, 2025 Resolution: May 1, 2025

Source: National Assembly Bill Information System

Key Deliberation Results

▪ Supplementary Budget Finance Source and Amount

- The supplementary budget was approved at KRW 13.8T, an increase of KRW 1.6T from the government proposal (KRW 12.2T), for Local Love gift certificates issuance, expansion of wildfire damage recovery budget, agricultural and fishery product discount support, and expansion of rental housing and road/railway SOC projects.
- The KRW 1.6T increase was secured through available financial resources such as public fund reserves (KRW 0.1T) and additional government bond issuance (KRW 1.4T).

▪ Total Finances

- Total revenue remained the same as the government proposal at KRW 652.8T.
- Total expenditure increased by KRW 1.6T compared to the government proposal at KRW 687.1T.
- Both the consolidated and managed fiscal deficit increased by KRW 1.6T compared to the proposal at KRW 34.3T and KRW 86.4T, respectively.
 - * The managed fiscal balance refers to the consolidated fiscal balance that excludes the social security funds balance.
- The national debt (D1) was estimated to reach KRW 1,280.8T, an increase of KRW 1.4T from the government proposal.

[Table 3] Total Finances

(KRW trillion)

Category	Main budget	Government proposal	Confirmed budget	Change vs. main budget	Change vs. proposal
Total revenue	651.6	652.8	652.8	+1.3	-
Total expenditure	673.3	685.5	687.1	+13.8	+1.6
Consolidated fiscal balance	△21.7	△32.6	△34.3	△12.5	△1.6
Managed fiscal balance	△73.9	△84.7	△86.4	△12.5	△1.6
National debt (D1)	1,273.3	1,279.4	1,280.8	+7.4	+1.4

Source: Ministry of Economy and Finance, "Press Release: National Assembly Confirms Supplementary Budget for 2025", May 1, 2025.

▪ Changes in Expenditures

[Table 4] Changes in Expenditures

(KRW trillion)

Category	Government proposal (increase) (A)	Confirmed budget (B)	Change (B-A)
Disaster & emergency response	3.2	3.3	0.1
Trade & AI industry support	4.4	4.5	0.1
Livelihood support	4.3	5.1	0.8
Other (SOC, APEC Summit, etc.)	0.2	1.0	0.9
Total increase by National Assembly	-	-	1.8
Total decrease by National Assembly	-	-	△0.2
Total	12.2	13.8	1.6

Source: Adapted from “Press Release: National Assembly Confirms Supplementary Budget for 2025” by the Ministry of Economy and Finance

▪ Major Budget Increases

- Increases include ① Rapid recovery from wildfire damage, ② Strengthening of disaster and emergency prevention and response capabilities, ③ Response to trade risks, ④ Enhancement of AI competitiveness, ⑤ Expansion of revenue base for small businesses, ⑥ Support for vulnerable groups’ livelihood, and ⑦ Reinforcement of construction economy, etc.

[Table 5] Expenditure Increases

(KRW trillion)

Category	Items	Major reasons for increase	Gov. Proposal (Increase) (A)	Confirmed budget (B)	Change (B-A)
Disaster & emergency response	Rapid wildfire damage recovery	- Village recovery and regeneration project for community restoration (KRW 10B) - Support for demolition and restoration of factories and commercial buildings, support for alley-type commercial district revitalization in special disaster areas (KRW 2B)	1.4	1.4	0.03
	Strengthening of prevention and response capabilities	- Expansion of national river maintenance (KRW 51.2B) - Early reconstruction of aging sewage pipelines (KRW 28.7B)	1.9	1.9	0.09
Trade risk response and AI competitiveness enhancement	AI competitiveness enhancement	- Expansion of GPU rental quantity to 1,550 units (KRW 8.8B, 400 units increased vs. proposal) - Construction of learning data for AI development capacity enhancement (KRW 25B)	1.8	1.9	0.1
	Trade risk response	- Early achievement of molybdenum stockpile target (100 days’ worth) (KRW 15.3B, 5 days’ worth increased vs. proposal)	2.1	2.1	0.01
Livelihood support	Expansion of revenue base for small businesses	- Support for Local Love gift certificate issuance (KRW 400B)	1.6	2.0	0.4
	Support for vulnerable groups’ livelihood stability	- Differential increase in national scholarship support limits by income bracket (KRW 115.7B, up to 7%) - Discount support for promoting consumption of agricultural, livestock, and fishery products (KRW 70B for agricultural products, KRW 30B for fishery products) - Strengthening of investigative capacity for livelihood-infringing crimes (KRW 10.7B)	0.2	0.6	0.4
Others	Construction economy reinforcement	- Expansion of SOC investment including road and railway safety enhancement (KRW 323.4B) - Expansion of new purchase rental and public-supported private rental supply (KRW 488.8B)	0.2	1.0	0.9

Source: Adapted from “Press Release: National Assembly Confirms Supplementary Budget for 2025” by the Ministry of Economy and Finance

▪ Main Budget Decreases

- There was a total reduction of KRW 238.1B across three projects: ① Emergency business stabilization loan (-KRW 200B), ② Government bond interest repayment (-KRW 19.3B), and ③ Defense facility improvements (-KRW 18.8B).

▪ Other

- Reserve fund increases remained the same as the government proposal: KRW 1T for earmarked reserves and KRW 400B for general reserves.
- Increases were reflected for Ministry of Justice investigation support expenses (KRW 50.7B), Board of Audit and Inspection audit activity expenses (KRW 4.5B), etc.

▪ Supplementary Opinions

- The National Assembly adopted and passed 11 supplementary opinions during the deliberations.

[Table 6] Supplementary Opinions Adopted During Deliberation and Resolution

Main content
<ul style="list-style-type: none"> The government shall strive to provide at least KRW 100M in total housing support funds to victims of complete housing destruction due to wildfire damage in Gyeongbuk, Gyeongnam, and Ulsan declared as special disaster areas, expand livelihood support for affected farmers to a maximum of 12 months, provide new support for factory and commercial building demolition and recovery, and increase government support rates for agricultural machinery.
<ul style="list-style-type: none"> The Ministry of Employment and Labor shall prepare institutional improvement measures including strengthening recovery of compensation payments to ensure the financial soundness of the Wage Claim Guarantee Fund.
<ul style="list-style-type: none"> The Ministry of Education shall strengthen student safety management to prevent the recurrence of incidents such as the death of elementary school student in Daejeon by utilizing local education subsidies to expand CCTV installation in schools, with consent from school members and within appropriate limits to prevent human rights violations.
<ul style="list-style-type: none"> The Ministry of Land, Infrastructure and Transport shall strive to redesign the green remodeling project to meet field demands, including reflecting the use of renewable energies (e.g., heat pumps).
<ul style="list-style-type: none"> The Ministry of Land, Infrastructure and Transport shall ensure that the budget for purchasing rental housing for wildfire disaster victims is not executed for purchasing unsold housing after completion in areas other than wildfire-affected regions.
<ul style="list-style-type: none"> The Ministry of Economy and Finance shall promptly complete the total cost consultation for the National Assembly relocation to Sejong to streamline subsequent procedures such as design competitions.
<ul style="list-style-type: none"> The Ministry of Culture, Sports and Tourism shall pursue fund changes to provide accommodation discount voucher support to regions experiencing difficulties due to passenger aircraft disasters and wildfire damage.
<ul style="list-style-type: none"> The Ministry of Trade, Industry and Energy shall strive to ensure the continuous implementation of the "Support for Overseas Market Development of Marine Equipment and Small-Medium Vessels" project.
<ul style="list-style-type: none"> The Ministry of Trade, Industry and Energy shall prepare measures to strengthen support for industrial crisis response regions.
<ul style="list-style-type: none"> The Ministry of SMEs and Startups shall organize management systems with related organizations including ministries and local governments operating Onnuri gift certificate-linked projects (refunds, discounts, etc.) similar to the "Vulnerable Commercial District Refund Activation" project.
<ul style="list-style-type: none"> The Ministry of Oceans and Fisheries shall devise reasonable measures considering the financial situation of Yeosu Gwangyang Port Authority regarding repayment of government advance investment for the Yeosu Expo.

Source: National Assembly Bill Information System, "2025 First Supplementary Budget Deliberation Report"