

## South Korea: Banks Prepare Crypto Push

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South Korea's major banks are accelerating preparations to enter the cryptocurrency and stablecoin markets, amid looming regulatory changes that could reshape the country's financial sector.

According to a report from *Maeil Kyungjae*, one of South Korea's leading business newspapers, prominent lenders are now forming specialist units and internal task forces focused on digital asset operations. The move comes as new legislation that could allow banks to issue and manage stablecoins is expected to pass soon.

“As discussions on legalising stablecoins heat up rapidly, the banking sector is now taking proactive measures,” the paper stated, noting a shift from cautious observation to active development.

Shinhan Bank and Woori Bank, two of the country’s largest financial institutions, have reportedly revived or expanded plans originally devised as early as 2018 and 2019. These early initiatives were shelved due to regulatory uncertainty but are now being revisited in light of the changing legal landscape.

Industry insiders believe the banks are aiming to avoid being left behind as digital assets become more mainstream. Some are already exploring blockchain consortia and digital wallet development, while others are analysing infrastructure needs for token issuance and management.

Stablecoins, in particular, are expected to play a significant role in banks’ future digital finance strategies. Seen as a bridge between traditional and decentralised finance, stablecoins offer a way for regulated institutions to enter the crypto space without the volatility associated with tokens like Bitcoin or Ethereum.

The shift in stance also reflects broader regulatory developments in South Korea. Recent financial reforms have prompted traditional banks to prepare for compliance with forthcoming guidelines that will allow for digital currency-related operations under state supervision. The Financial Services Commission (FSC) has previously indicated that a structured approach to stablecoin issuance and management could enhance financial stability and innovation.

While precise timelines remain unclear, experts suggest that banks want to be ready from day one once the green light is given. That preparation includes forming consortia with fintech firms, developing blockchain infrastructure, and coordinating with regulators.

This growing interest from traditional banking institutions marks a notable change in South Korea’s approach to crypto. For years, the industry operated in a largely unregulated space, with most activity driven by private exchanges and startups. The entry of banks into the market is expected to bring increased legitimacy, oversight, and consumer confidence.

Though challenges remain, including securing regulatory approval and establishing robust security systems, analysts see the current momentum as a sign that digital assets are set to

become a key part of South Korea's future financial landscape.